

South Worcestershire Development Plan Review

Housing Topic Paper

SWDP Review Publication Consultation
(Reg 19)



2022

Table of Contents

1. Introduction	1
2. Policy Context	2
2.1 National Policy Context.....	2
2.2 County Policy Context	6
3. Evidence Base Summary.....	8
3.1 Vision	8
3.2 Strategic Housing Market Assessment	8
3.3 Economic Forecasts	11
3.4 Housing Needs Assessments	12
3.5 Flood Risk.....	12
3.6 Landscape Assessment.....	13
3.7 Green Belt Review.....	13
3.8 Assessment of Rural Settlements.....	14
3.9 Development Boundaries.....	16
3.10 Strategic Housing and Employment Land Availability Assessment (SHELAA)	17
3.11 Housing Requirement for Designated Neighbourhood Areas	18
3.12 Housing Design Standards	19
3.13 Viability Testing.....	19
3.14 Sustainability Appraisal and Habitat Regulations Assessment	20
4. Spatial Approach.....	23
4.1 Calculation of the Requirement.....	23
4.2 Duty to Cooperate.....	28
4.3 Settlement Hierarchy	29
4.4 Site Selection Methodology	30
4.5 Windfall Allowance.....	33
5. Housing Market Mix, Type and Tenure	35
5.1 Affordable Housing	35
5.4 Houses of Multiple Occupation (HMOs).....	45
5.5 Custom and Self Build Housing	46

Projections completions and supply – indicative – may be updated through statements of common ground and other evidence as it comes forward accordingly.

1. Introduction

This topic paper explains the evidence that has informed the proposed housing allocations and policies in the SWDP Review Publication Consultation (Reg 19). The paper is intended to aid understanding of the Plan and draws on the wider evidence base. The purpose of this paper is not to duplicate what is published elsewhere, rather to explain how the evidence base has informed the approach to housing development.

This Housing Topic Paper is being published alongside the SWDP Review Publication Consultation (Reg 19).

2. Policy Context

2.1 National Policy Context

Planning policy for residential development in England is provided in the National Planning Policy Framework (NPPF). Further guidance on the application of the national policies is provided in the National Planning Practice Guidance (NPPG). There are many elements of the NPPF that influence planning in relation to the development of housing and a brief summary is provided below.

Central to the NPPF is a "presumption in favour of sustainable development" as set out in Paragraph 11. For plan-making this means that:

- a) "a) all plans should promote a sustainable pattern of development that seeks to: meet the development needs of their area; align growth and infrastructure; improve the environment; mitigate climate change (including by making effective use of land in urban areas) and adapt to its effects;
- b) strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas, unless:
 - i. the application of policies in this Framework that protect areas or assets of particular importance provides a strong reason for restricting the overall scale, type or distribution of development in the plan area; or
 - ii. any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole".

Chapter 3 of the NPPF guides the plan-making process and refers to a range of strategic priorities that local plans should address. The following key points are important for understanding the context for the supply and delivery of residential development:

- a) Succinct and up-to-date plans should provide a positive vision for the future of each area; a framework for addressing housing needs and other economic, social and environmental priorities (Paragraph 15).
- b) Plans should be prepared positively, in a way that is aspirational but deliverable (Paragraph 16(b)).
- c) Plans should be shaped by early, proportionate and effective engagement between plan-makers and communities, local organisations, businesses, infrastructure providers and operators and statutory consultees (Paragraph 16(c)).

- d) The development plan must include strategic policies to address each local planning authority's priorities for the development and use of land in its area (Paragraph 17).
- e) Strategic policies should set out an overall strategy for the pattern, scale and quality of development, and make sufficient provision for housing (including affordable housing), employment, retail, leisure and other commercial development (Paragraph 20).
- f) Strategic policies should look ahead over a minimum 15-year period from adoption, to anticipate and respond to long-term requirements and opportunities, such as those arising from major improvements in infrastructure (Paragraph 22).
- g) Strategic policies should provide a clear strategy for bringing sufficient land forward, and at a sufficient rate, to address objectively assessed needs over the plan period, in line with the presumption in favour of sustainable development. This should include planning for and allocating sufficient sites to deliver the strategic priorities of the area (except insofar as these needs can be demonstrated to be met more appropriately through other mechanisms, such as brownfield registers or non-strategic policies) (Paragraph 23).

The NPPF states at Paragraph 31 that all policies within a local plan, "should be underpinned by relevant and up-to date evidence which should be adequate and proportionate, focussed tightly on supporting and justifying the policies concerned, and take into account relevant market signals".

The NPPF highlights, at Paragraph 32, the importance for plans and spatial development strategies to be informed throughout by a sustainability appraisal that meets the relevant legal requirements, including how the plan has addressed relevant economic, social and environmental objectives. The NPPF is clear that significant adverse impacts on these sustainability objectives should be avoided and, wherever possible, alternative options which reduce or eliminate such impacts should be pursued. The NPPF requires that where significant adverse impacts are unavoidable, suitable mitigation measures should be proposed or, where this is not possible, compensatory measures considered.

Paragraph 33 of the NPPF requires that local plans are reviewed at least once every five years to assess whether they need updating. It is expected that any review should be completed no later than five years from the adoption date of a plan and that strategic policies will need updating whenever the local housing need figure has changed significantly.

Chapter 5 of the NPPF sets the policy framework for housing delivery. A key Governmental objective is to "significantly boost the supply of homes". In Paragraph 60 the Government highlights its commitment to ensuring that: "a sufficient amount

and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay”.

The use of the Government’s standard method of calculating housing need (and flexibility to deviate from that method) is set out in NPPF Paragraph 61. It explains that in order to determine the minimum number of homes needed, strategic policies should be informed by a housing need assessment, conducted using the standard method, unless exceptional circumstances justify an alternative approach. Paragraph 62 provides guidance on meeting a mix of size, types and tenures of housing. The NPPF requires the size, type and tenure of housing needed for different groups in the community to be assessed and reflected in planning policies. This includes (but is not limited to) those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes.

Paragraphs 63 to 65 set out the circumstances under which different types of affordable housing may be sought. Affordable Housing definitions set out in the NPPF include the following:

- a) Affordable Housing for Rent
- b) Starter Homes
- c) Discounted Market Sales Housing (sold at least 20% below local market value and remains at a discount for future eligible households)
- d) Other Affordable Routes to Home Ownership (including Shared Ownership, Equity Loans, other Low Cost Homes for Sale (at a price at least 20% below local market value) and Rent to Buy.

While the NPPF generally requires that provision of affordable housing should not be sought from residential developments of less than 10 units, a threshold of 5 units or fewer may be adopted in designated rural areas. The reduction of contributions where vacant buildings are being reused or redeveloped or where development is to take place on brownfield land is supported. Where development involving the provision of 10 or more new homes is proposed, the NPPF at Paragraph 65 requires planning policies and decisions to expect at least 10% of the homes to be available for affordable home ownership, unless this would significantly prejudice the ability to meet the identified affordable housing needs of specific groups

Paragraphs 66 and 67 set out the expectation that strategic policies will need to establish a housing requirement figure for their whole area (taking into account as appropriate any unmet need from neighbouring areas) and how this need will be met. The expectation is that the strategic policies will also set out any housing requirement for designated Neighbourhood Plan areas. The NPPF places

considerable emphasis on ensuring that a sufficient supply and mix of housing is provided for within local plans. Paragraphs 68 to 73 highlight the importance of understanding and delivering a sufficient supply and mix of housing by assessing the contributions that can be made by different sizes and types of site. Paragraph 69a sets out a requirement to ensure that at least 10% of the total housing requirement is met on sites of 1 hectare or less, unless there are strong reasons that it is impracticable. Paragraph 69c offers support for the delivery of windfall development through a positive policy approach and Paragraph 71 requires compelling evidence for the inclusion of any windfall allowance within the housing land supply. Paragraph 73 guides the provision larger scale development, such as new settlements or significant extensions to existing villages and towns.

Paragraphs 74 to 77 of the NPPF are particularly concerned with ensuring that Local Plans secure a supply of specific; deliverable sites for years one to five of the plan period, specific, developable sites or broad locations for growth for years 6-10 and, where possible, for years 11-15 of the plan. It is expected that strategic policies will include a housing trajectory that sets out the anticipated rate of development for specific sites. In addition, an annual update to identify a 5-year supply of specific deliverable sites (including an appropriate buffer moved forward from later in the plan period) is required.

The approach to the provision of homes in rural areas is set out in Paragraphs 78 to 80. It is expected that the provision of rural exception sites to provide affordable housing to meet identified local needs will be supported and that consideration will be given to whether some market housing would facilitate that aim. Paragraph 78 requires housing to be located where it can enhance or maintain the vitality of rural communities, especially where this will support local services.

Further reference to residential development is made in subsequent chapters of the NPPF which highlights the need to consider the framework in its entirety when considering how best to meet residential development needs.

Paragraph 86(f) states that planning policies should recognise that residential development often plays an important role in ensuring the viability of town centres.

Making effective use of land, particularly within towns and cities is supported by Chapter 11. Paragraph 120 recognises that undeveloped land may contribute to other benefits such as biodiversity, flood risk mitigation or urban cooling, but sets out substantial support for the re-use of previously developed land for residential use in a variety of settings as well as support for intensification of land use through building above suitable buildings. Paragraphs 121 to 123 set out a range of actions that planning authorities may take to ensure that the most efficient use of land is supported and opportunities for residential development maximised. Paragraph 125 supports the use of minimum density standards, not only in town centres and urban areas, but throughout the plan area.

The exceptional circumstances required to amend Green Belt boundaries are set out in Paragraph 139. Where a Local Planning Authority concludes that the exceptional circumstance exists it is required to have considered that the use of previously developed and underutilised land has been maximised, that development densities have been optimised and that the possibility of neighbouring authorities meeting some of the identified need has been fully explored.

The approach to Climate Change and Flood Risk is set out in Chapter 14. Paragraph 153 requires that plans take a proactive approach to mitigating and adapting to climate change. However, Paragraph 154 notes that any local requirements for the sustainability of buildings should reflect the Government's policy for national technical standards. Paragraph 159 requires that inappropriate development in areas at risk of flooding should be avoided by directing development away from areas at highest risk (whether existing or future). Paragraph 161 requires that all plans apply a sequential, risk-based approach to the location of development taking into account both current and future impacts of climate change; the aim of the sequential approach is to steer new development to areas with the lowest risk of flooding. Paragraph 164 sets out the expectation that development should not be allocated or permitted if there are reasonably available sites appropriate for the proposed development in areas with a lower risk of flooding.

Further national advice is provided through the National Planning Practice Guidance, which contains a wide range of sections that are relevant to the matters concerning the housing need figure, supply and delivery and relate closely to and expand upon areas of the NPPF summarised above. These include:

- a) Effective Use of Land.
- b) Flood Risk and Coastal Change.
- c) Green Belt.
- d) Housing and Economic Needs Assessment.
- e) Housing Supply and Delivery.
- f) Plan-making.

2.2 County Policy Context

Four county wide plans and strategies form part of the policy context for housing in the SWDPR. These are the Strategic Economic Plan prepared by the Worcestershire Local Enterprise Partnership, the Worcestershire Housing Partnership Plan, the Worcestershire Homelessness and Rough Sleeping Strategy and the Worcestershire Extra Care Housing Strategy.

The South Worcestershire Councils (SWCs) are located within the Worcestershire Local Enterprise Partnership (WLEP) area. LEPs do not have statutory land use planning powers. However, they are responsible for determining local economic priorities and undertaking activities to drive economic growth and local job creation. WLEP's vision is: "To build a connected, creative, dynamic economy that delivers increased prosperity for all those who choose to live, work, visit and invest in Worcestershire." The vision set out in the WLEP is to create, 25,000 new jobs, increase GVA by 2.9bn and ensure that 21,500 new homes are built by 2025. Key supporting infrastructure for the delivery of homes is funded through WLEP, through the Worcestershire Growth Deal. These include support for the delivery of Worcester Parkway Station, A38 corridor improvements and Pershore Northern Link Road developments.

The Worcestershire Housing Partnership Plan, published in 2017, sets the strategic direction for housing across Worcestershire. The partnership aims to make the most effective use of existing resources through close work between organisations across a range of sectors. Members of the partnership are the Worcestershire Local Authorities and County Council, Homes England, Department for Work and Pensions, Warwickshire and West Mercia Community Rehabilitation company, Herefordshire and Worcestershire, Wyre Forest and Redditch and Bromsgrove Clinical Commissioning Groups, and Registered Housing Providers Fortis Living, Rooftop and Bromsgrove District Housing Trust. The partnership recognises that there is a requirement for closer cooperation of services that support the health and wellbeing of those who may be in need of care and support.

The 2019 update to the Worcestershire Homelessness and Rough Sleeping Strategy was also produced by the Worcestershire Strategic Housing Partnership. In terms of housing provision, the strategy identifies a priority action to improve the supply of/access to good quality, affordable and supported housing.

3. Evidence Base Summary

3.1 Vision

The vision set out in the SWDP Review Publication Consultation (Reg 19) document expects that local residents will have access to a range of housing types and tenures that help to meet the needs of young families, older people and single households and that affordable and accessible housing is widely available. It is expected that residents will enjoy a high standard of living, good health and education in an attractive, safe and secure, low-crime environment. Home based working, live-work development and farm diversification opportunities are supported.

3.2 Strategic Housing Market Assessment

The first Strategic Housing Market Assessment (SHMA) for the Malvern Hills, Worcester City and Wychavon local authorities was published during September 2019¹. The report consists of four separate sections comprising of a detailed individual report for each district and a summary report for South Worcestershire which reflects on the findings for the three districts. The South Worcestershire Strategic Housing Market Assessment (SHMA) 2021 provides an update to the evidence in the 2019 SHMA.

The SHMA findings have informed the SWDP Review. It will also inform the development of local housing strategies and the commissioning of new affordable and other housing products in each authority area. The SHMA considers the need for affordable housing and the size, type and tenure of housing need for different groups within the community over the period 2021 to 2041. This research provides an up-to-date analysis of the social, economic, housing and demographic situation across the Plan area.

The SHMA has been prepared in accordance with the National Planning Policy Framework (NPPF) and associated Planning Practice Guidance (PPG).

House Prices and Rents

House prices across South Worcestershire are consistently higher than West Midlands prices and broadly in alignment with England prices. Within South Worcestershire, prices in Malvern Hills and Wychavon are highest and Worcester prices are the lowest, although they remain higher than the West Midlands average. Median prices in 2020 were £210,000 in Worcester, £267,750 in Malvern Hills and £280,000 in Wychavon.

¹ <https://www.swdevelopmentplan.org/swdp-review/swdp-review-evidence-base/strategic-housing-market-assessment>

In 2020, median private rents were £659 in Worcester, £702 in Malvern Hills and £750 in Wychavon. This compares with £694 in the West Midlands and £1,148 across England.

Demographic Drivers

The ONS produces population projections every two years. The latest 2018-based principal ONS population projections report a 2021 population of around 316,000 across the SWDP area which is expected to increase by around 43,000 (13.6%) to around 359,000 by 2041 (Table 2.6 and Figure 2.7 of the main report). Across South Worcestershire, older age groups are expected to increase the most. In Worcester, there is a projected reduction in the numbers in several age cohorts, In Wychavon, there is growth projected across all cohorts and within Malvern Hills there is growth projected for most age cohorts.

Household Projections

The ONS produces household projections up to 2041 which are informed by the population projections. According to the 2018-based principal ONS household projections, there were 145,010 households in South Worcestershire in 2021 and this is projected to increase by 22,220 (15.3%) to 167,230 by 2041.

Table 2.9 provides a detailed breakdown of household type by occupants age. Figure 2.5 illustrates that there will be a marked increase in the number of households where the main occupant is aged 65 or over and this will be the dominant driver of change to types of household over the 2021 to 2041 period.

An analysis of migration flows indicates that both shorter and longer-distance national migration and net international inflows of younger people have driven population growth across the SWC area.

Economic Drivers

Across the SWCs, 64.4% of Household Reference People (HRP) are economically active and in employment (2011 Census) and a further 14.3% are retired from work, 8.8% are economically inactive, 8.5% are students and 4% are unemployed.

The SHMA evidence suggests that the SWC area is a self-contained housing market area both in terms of population migration and travel to work area. Data from the 2011 Census indicates that the level of out-commuting is marginally higher than the workers who are also residents; 74.2% of people who live in the SWDP area also work in the area while 76.6% of workers in the SWC area, live in the area. The data indicates that the South Worcestershire area represents a functional economic area that has wider links to other areas in the West Midlands. A high level of self-containment in terms of population migration is also experienced within the SWDP area. Excluding moves that originate from outside of the West Midlands, the origin

containment ratio is 89% and the destination ratio is 79.7%. Together with the alignment of the functional economic area, the level of migratory self-containment supports the identification of the SWDP as a housing market area suitable assessment as a strategic housing market area.

New Dwellings

Over the 14 years 2006/07 to 2019/20, 17,773 net new dwellings have been delivered across the SWC area. In the past 5 years to 2019/20, 9,230 have been built (1,846 annual average) of which 29.5% were affordable.

The 2021 Standard Method calculation establishes a baseline minimum annual need for 1,293 dwellings based on demographics and an adjustment to take account of affordability. A comprehensive analysis of alternative demographic scenarios confirms that this standard method baseline provides an appropriate assessment of need.

No further upward adjustments to the minimum housing need figure of 1,293 dwellings are necessary as this provides sufficient housing to meet local need and sufficiently supports future jobs growth. As part of the housing requirement, the Councils are providing land for 500 dwellings to address unmet need from neighbouring Tewkesbury Borough.

Future Dwelling Mix and Development Priorities

The SHMA has considered the future population and household projections over the period 2021 to 2041, the range of dwellings lived in by different households and dwelling aspirations (likes) and expectations. This helps to determine an appropriate mix of dwellings to inform future development priorities to better reflect the housing needs of communities across the SWC area.

The scale of affordable need has been assessed in the SHMA using latest (June 2021) housing register data. The overall net annual imbalance is calculated to be 906 dwellings each year which compares with 489 in the 2019 SHMA. It is important that the Councils maintain an affordable housing target to ensure the continued delivery of affordable housing to support long-term community sustainability and provide affordable housing for newly forming households.

It is recommended that across the SWCs:

- a) For new social/affordable dwellings, 36.5% have one-bedroom, 35.4% two-bedrooms, 24% three-bedrooms and 4.2% four or more-bedrooms. This represents a change in the evidence from the 2019 SHMA as this takes into account actual delivery across South Worcestershire.
- b) For affordable home ownership 10% to have one-bedroom, 40% two-bedrooms, 35% three-bedrooms and 15% four or more-bedrooms

A summary of the overall range of dwelling types and sizes appropriate to SWDP and individual local authorities is presented in Tables ES1 to ES4.

The Needs of Other Groups

Particular needs which have been identified in the SHMA include:

- a) Increasing and diversifying the supply of specialist housing for older people. There is a need for 4,836 more units of accommodation for older people by 2041 including sheltered/retirement, Extra Care and co-housing (3,198 or 160 each year) and 1,638 units of residential care accommodation (82 each year).
- b) Based on an assessment of additional needs and longer-term demographics, 4.5% of new dwellings (58 each year) should be built to M4(3)b wheelchair accessible standard; and all other new dwellings should be built to M4(2) accessible and adaptable standard.

Note that there is overlap between affordable, specialist older person and accessibility (M4(3)) need. For example the development of an older person's level access and a wheelchair accessible affordable dwelling would help address three aspects of housing need.

There is interest in self-build and custom-build housing, with 345 households across SWCs registering an interest for a self/custom build plot at August 2021. This compares with 119 households in November 2018.

COVID-19 Impact

It is too early to consider the longer-term implication of the pandemic on demography, economy and housing but there are several emerging trends. The pandemic has accelerated trends in home working, retail and office use. There are implications for the housing offer, with a 'race for space' within dwellings, the need for larger gardens/outdoor space and better access to public space which may alter the demand/need for larger homes in less dense settings. A redistribution of demand between urban and more rural locations has also been suggested. Repurposing town centres and commercial buildings provides opportunities for new forms of residential occupancy, for instance micro-homes and co-living.

3.3 Economic Forecasts

The growth in the South Worcestershire Economy and the amount of land expected to be required to accommodate that growth are assessed by the South Worcestershire Economic Development Needs Assessment (EDNA) which was published in 2018. A subsequent addendum to the EDNA was published during 2019 which assesses a number of sites that may be suitable for development for employment use. A further (and latest) update to the EDNA was carried out in 2021.

The latest 2021 EDNA employs an Experian economic growth forecast as the basis of its assessment when considering model forecasting outcomes in relation to the amount of employment land required from 2021 to 2041. The 2021 EDNA forecasts job growth in E(g) (Previously B1) / B2 / B8 spaces of 14,104 net jobs between 2021 and 2041, compared to 8,867 jobs in 2018 (based on 2016-2041). Under all forecasts, the UK was expected to transition to a period of slower growth during the early 2020s due a global economic slowdown and the UK leaving the EU. However, the 2021 update shows a marked improvement in the forecast for net job growth in E(g) (previously B1) / B2 / B8 space when compared to the 2018 report, with jobs in manufacturing showing the biggest forecast increase (5,000 in 2018 to 8,600 in 2021).

3.4 Housing Needs Assessments

Standard Method

The standard method establishes a minimum affordable housing need of 1,293 each year across the SWCs. The relationship between households, future household change and dwellings occupied has been considered to provide an indication of an appropriate dwelling mix for Malvern Hills, Worcester and Wychavon over the period 2021 to 2041. The assessment of future household change and the implications this has for dwelling type, size and tenure mix, can inform decisions on the range and size of dwellings that will need to be built to meet need and aspiration over the period to 2041.

3.5 Flood Risk

Two levels of Strategic Flood Risk Assessment (SFRA) have been undertaken to support the SWDP Review. The SFRA Level 1 was published during August 2019. Its purpose was primarily to identify all current and future sources of flood risk and consequently verify which locations are most and least vulnerable to flooding taking into account climate change and the cumulative impact that the level and distribution of development proposed in South Worcestershire is likely to have on flood risk.

To support the identification of the most appropriate sites for allocation by the Plan, the SFRA Level 1 undertook analysis of all sites that had been submitted to the Strategic Housing and Economic Land Availability Assessment (SHELAA). The analysis is shown in Appendix B of that study and identifies the proportions of the sites that lies within different flood zones, the risk of surface water flooding (30 year/100 year/100 year event banding), and identifies the land area within Flood Zone 1.

The SFRA Level 2 report will be published alongside the SWDP Review Publication consultation (Reg 19) document. An SFRA Level 2 provides additional information on flooding for the proposed allocations in the plan. All proposed allocations were screened to decide whether a full SFRA Level 2 was required. A Red-Amber-Green

system was applied to the sites on the basis, that: red sites needed a Level 2 assessment, amber sites did not need a Level 2 assessment due to lower flood risk but are flagged in the report for consideration, and green sites did not need a Level 2 assessment and had no/ negligible risk. Of the 126 sites screened, a total of 29 sites were taken forward for full Level 2 assessment. The SFRA Level 2 assessment for each site helps identify which areas of a site are most vulnerable to flooding and from which sources. It also helps to specify the requirements and guidance for site-specific Flood Risk Assessments (FRA's) at the application stage including consideration of opportunities for strategic flood risk solutions to reduce flood risk. This information is not only critical for understanding whether safe access can be achieved to the sites, but also the likely developable area of the sites and each site has a proforma assessment sheet and an interactive PDF map to demonstrate this. The Level 2 assessments for the Strategic Growth Areas were given the same style of Level 2 assessments for the smaller sites but include more detail, addressing the settlement both holistically and also divide the settlement into hydrological sub-catchments.

3.6 Landscape Assessment

Landscape character is defined as the distinct, recognisable and consistent pattern of elements in the landscape. It is these patterns that give each locality its 'sense of place', making one landscape different from another. Landscapes have evolved over time as a result of both natural and cultural processes.

Landscape Character Assessment (LCA) is a tool for identifying and studying the features that make up the character of the landscape. LCA is typically undertaken at a county scale, in this case by Worcestershire County Council. There are two phases to the LCA process:

- a) The first is the classification and description phase which is used to sub-divide the landscape into areas of similar character at various scales.
- b) The second phase is the analysis and evaluation which builds on the classification and description phase to develop a strategic framework for landscape policies and identify priorities for action.

The Worcestershire Landscape Character Assessment has been used to identify the various landscape types across south Worcestershire, including the Malvern Hills Area of Outstanding Natural Beauty (AONB) and Cotswolds National Landscape.

3.7 Green Belt Review

In order to assess the contribution that land currently designated as Green Belt makes to meeting the purposes of that designation the South Worcestershire authorities commissioned a Green Belt assessment. Part 1: Strategic Assessment of

Green Belt Purposes 2018 considered the areas of the West Midlands Green Belt that lie within Wychavon District and the Green Belt that lies between Droitwich and Worcester and which falls within Wychavon District and Worcester City local authority areas.

The five purposes of Green Belts as set out in NPPF Paragraph 138 are:

- a) to check the unrestricted sprawl of large built-up areas;
- b) to prevent neighbouring towns merging into one another;
- c) to assist in safeguarding the countryside from encroachment;
- d) to preserve the setting and special character of historic towns; and
- e) to assist in urban regeneration, by encouraging the recycling of derelict and other urban land.

The Green Belt was judged to be performing its strategic function overall as part of the outer edge of the West Midlands Green Belt, and in respect of more localised roles. The Green Belt was found to play a significant role strategically in terms of maintaining the separation between the local towns, particularly between Bromsgrove, Droitwich Spa and Worcester. One parcel (S15, site of the Sixways Stadium), which is strongly bounded and largely developed, has been identified as making a limited contribution to Green Belt purposes. The majority of the Green Belt in the study area was judged to make an overall contribution to Green Belt purposes, reflecting the broadly open countryside character of the land which is relatively remote from built-up areas. Significant areas of land between the major built-up areas and surrounding the main transport corridors were judged to make a significant contribution to Green Belt purposes, reflecting the prevention of sprawl, merger and encroachment.

Part 2 of the study considers the likely effects on the Green Belt of sites which have been put forward by landowners or their agents as being available for development.

The Green Belt assessment did not make any recommendations about the suitability of the sites for development. This reflects a comprehensive approach to site assessment, which was considered preferable to relying on the overall judgement of the parcel wherein the site is located as identified in Part 1. The findings of the Part 2 Study have been taken into consideration during the 2021/2022 update to the SHELAA to help inform the site selection process.

3.8 Assessment of Rural Settlements

The districts of Malvern Hills and Wychavon are largely rural. There are over 200 villages of varying size, character and level of service provision. In order to support

rural communities, it is important to ensure that development is directed to the most appropriate locations. NPPF Paragraph 78 supports the provision of housing where it will enhance or maintain the vitality of rural communities and notes that within clusters of smaller settlements, development in one village may support services in a village nearby. A key element in determining the spatial strategy for South Worcestershire is understanding the role and function of the rural settlements in terms of service provision and accessibility. Through understanding the role and function of individual villages, it is possible to categorise them into a hierarchy through which levels of development commensurate with their function can be allocated.

The most appropriate approach to gathering information about rural settlements was considered to be an audit of the facilities and transport options available at the settlements at a particular point in time. There are limitations to this approach since the findings can only demonstrate the situation at the point of survey. However, gathering information through a settlement audit is an established method of determining rural settlement sustainability and the selection of appropriate facility indicators can mean that a view of a settlement's functionality can be gained so that the gain or loss of an individual service does not unduly influence the view of the settlement as a whole. The first rural settlement audit was prepared by the SWC authorities during 2012 and accepted as a sound basis for determining the hierarchy proposed by the SWDP 2016². An update to the survey was conducted from late 2018 to early in 2019.

The Village Facilities and Rural Transport Survey (VFRTS) was published in September 2019. The 2012 survey methodology was refined and subject to a focused consultation with key stakeholders (Parish Councils) between 21st May to 2nd July 2018. A number of indicators were surveyed; some indicators considered key services and other secondary services. Key services were identified as a shop, post office or general store, General Practitioner's Surgery, a primary or secondary school, a village or parish hall and an employment opportunity (within 1 km of the settlement). Secondary services included among them a newsagent, garages for car sales or repairs, public house, pre-school and recreation grounds. Three points were awarded for the presence of each primary service within the settlement and one point for each secondary service. Forms were sent to Parish Councils requesting that the forms were completed for each settlement within their parish. Any information omissions in the survey returns were established through desktop and physical survey by officers.

The survey also gathered information regarding public transport availability. Public transport in rural Worcestershire is predominantly via bus services but also encompasses specialised rural public transport such as community buses,

² Paragraph 33 – SWDP Inspector's Report, February 2016

supermarket buses, taxis, and dial-a-ride. This information was provided by Worcestershire County Council. The survey sought to establish the existence of services under six categories.

The findings of the 2019 survey were used to group settlements into 5 categories which align with the 2012 survey to enable comparison. These ranged from Category 1 through to Category 3 settlements with a good range of services and bus journey types to Category 4 (of which benefits from limited services and public transport provision) and Open Countryside settlements (considered to be equivalent in functionality to the open countryside) as they do not benefit from any key services and have limited or absent public transport provision.

3.9 Development Boundaries

Development Boundaries are drawn to show the main built-up area of a settlement and where new development, through infilling, would be considered appropriate in principle. Development Boundaries are often tightly drawn around settlements to control the supply of land and usually reflect the character of the settlement in terms of its size and form and may be non-contiguous where a settlement has a sporadic development pattern. Wherever possible, Development Boundaries follow physical features. Extensive open curtilages are usually excluded from the Development Boundary where development could have an adverse impact on the surroundings.

The Development Boundaries for the towns and villages in Malvern Hills and Wychavon were first defined in the respective 1998 Local Plans. Worcester City's Development Boundary was defined as its administrative boundary. The length of time that has elapsed since the last review of the Development Boundaries, and the scale of development that has taken place since that time, meant that a review was deemed necessary.

A methodology for the review of the Development Boundaries was subject to consultation from August to October 2018. The methodology was amended in response to the consultation and there was general consensus from respondents that there was a need to review existing Development Boundaries and identify new development boundaries in high category villages where one does not already exist, plus extend Development Boundaries to include proposed SWDP Review allocations where they share a common boundary with an updated Development Boundary.

The categorisation of rural settlements, as defined in the 2019 Village Facilities and Rural Transport Study, was used to identify Category 1, 2 and 3 villages. Existing Development Boundaries of cities, towns and Category 1, 2, and 3 settlements were reviewed and where a boundary had not been established, new boundaries were proposed. In addition, lower category villages identified by the study, where a

development boundary was no longer considered to be appropriate, were removed.

3.10 Strategic Housing and Employment Land Availability Assessment (SHELAA)

The SHELAA assesses sites submitted by landowners and agents for consideration as potential allocations within the local plan. The assessment of a site within the SHELAA does not imply that the Council would necessarily grant planning permission.

The SHELAA has been updated three times during the preparation of the SWDP Review.

Further to the 'Call for Sites' exercises carried out in May and July 2018 and as part of the SWDP Review Issues and Options consultation in November and December 2018, and in support of the draft allocations made in the SWDP Review Preferred Options, detailed assessments have been carried out on all sites submitted³.

The SHELAA informs the site selection process. Evidence base findings have been incorporated into the SHELAA to provide assessments that inform the identification of proposed site allocations. All sites of 0.16ha and greater or capable of accommodating five or more dwellings were assessed. In order to make the process more manageable an initial high level sift of sites was used to eliminate all sites with significant constraints to development. The criteria for exclusion of sites at Stage 1 were as follows:

- a) Flood Zone 2 or 3 i.e. at a medium to high risk of flooding;
- b) National conservation or wildlife designation constraint; and
- c) Sites promoted for housing in the Green Belt.

Sites that were eliminated because of an existing Green Belt designation were further assessed by the May 2019 Green Belt study as summarised in Section 3.7.

Further constraints were then assessed / identified by the SHELAA. These included the following:

- a) Established Employment sites (Employment);

³ <https://www.swdevelopmentplan.org/swdp-review/swdp-review-evidence-base/strategic-housing-and-employment-land-availability-assessment/shelaa-site-assessments>

- b) Existing community facilities where no replacement land/buildings are identified (Valued Community Facility); Valued open space/sport/recreation sites identified for retention in up to date studies (Valued Open Space);
- c) Sites in a prominent area of landscape value within the Area of Outstanding Natural Beauty (AONB) or National Landscape;
- d) Sites that have an important nature designation e.g. SSSI, Special Wildlife Site, Local Nature Reserve (Nature Designation);
- e) Sites that are Garden land (Garden); and
- f) Historic Environment constraints e.g. Conservation Area, Listed Building, Ancient Monument (Historic Environment).

The SHELAA assessment of the suitability of sites for residential development is based on the spatial strategy proposed by the SWDP Review. Accordingly, sites within and on the edge of Category 1, Category 2 and Category 3 settlements (as assessed by the 2019 VFRTS) together with the main settlements of Worcester, Droitwich Spa, Evesham, Malvern Pershore, Tenbury Wells and Upton-upon-Severn that were free of other constraints were assessed as being within sustainable locations for residential development. The strategy also expects large scale development to be accommodated within new settlement sites in the open countryside where rail based transportation is likely to be achievable. The SHELAA has therefore assessed sites in the open countryside, that could contribute to the land assembly required to develop new settlements which could deliver new settlements in line with the rail based strategy, as having potential for residential development.

3.11 Housing Requirement for Designated Neighbourhood Areas

Paragraph 66 of the NPPF says within the overall housing requirement for an area, strategic policy-making bodies should also set out a housing requirement for designated neighbourhood areas which reflect the overall strategy for the pattern and scale of development and any relevant allocations.

In accordance with the NPPF, the SWCs have set out the housing requirements for the 40 designated Neighbourhood Areas in South Worcestershire (as at September 2022). The methodology for calculating the housing requirement for the designated Neighbourhood Areas takes into account the following factors:

- a) The overall strategy for the pattern of development to 2041, with the focus on existing urban areas and new or expanded settlements with access to railway stations, with some development directed to rural settlements that enjoy some local facilities and services.

- b) The scale of additional development required to 2041 - an additional 13,240 dwellings over-and-above those which have already been delivered or are likely to be delivered based on current housing commitments, completions and reallocations.
- c) Relevant site allocations. The housing requirement for each Neighbourhood Area takes account of proposed allocations in the SWDPR, together with any allocations in made or submitted Neighbourhood Plans.

The methodology does not take account of any specific physical, environmental or infrastructure constraints to future growth in a Neighbourhood Area. It is acknowledged that not all Neighbourhood Areas may be able to deliver the housing requirements due to local constraints. If this is the case, then it should be explored and explained in the Neighbourhood Plan.

3.12 Housing Design Standards

Policy SWDPR17 Residential Standards expects that proposals for all new residential development (to include all tenures and conversions of existing buildings) should, as a minimum, meet the requirements of the Nationally Described Space Standard. The standards are contained within Annex C of the SWDP Review Publication Consultation (Reg 19) document.

The Nationally Described Space Standard is a standard all local authorities can use to ensure dwellings provide sufficient internal space for users. This new standard replaces the individual and differing space standards which could be adopted by local authorities where they deemed to be required. The Nationally Described Space Standard is not a building regulation and remains solely within the planning system as a new form of technical planning standard.

This standard deals with internal space within new dwellings. It sets out requirements for the Gross Internal (floor) Area of new dwellings at a defined level of occupancy as well as floor areas and dimensions for key parts of the home, notably bedrooms, storage and floor to ceiling height.

All new housing development (C3 dwellings) should meet or exceed the internal space standard to improve the quality of new homes for existing and future communities in south Worcestershire. The NPPF supports the use of the Nationally Described Space Standard in local plans where the need for an internal space standard can be justified.

3.13 Viability Testing

Local plans are required to set out the contributions expected from development, including identification of the levels and types of affordable housing required and other infrastructure such as education, health, transport, flood and water management, green and digital infrastructure. A Viability Assessment (2022) has

been produced to ensure that the proposed policies and proposals are realistic and deliverable. It considers relevant plan policies, local and national standards and the costs of CIL and S106 agreements.

The Viability Assessment assesses typologies of sites based on shared characteristics and reflecting the typical nature of the types of sites within south Worcestershire. The strategic sites of Worcestershire Parkway, Throckmorton, Rushwick and Mitton have been assessed individually reflecting their specific circumstances.

3.14 Sustainability Appraisal and Habitat Regulations Assessment

As part of the preparation of the SWDP Review a Sustainability Appraisal (SA) has been prepared. The SA report is a UK-specific procedure that examines the social, economic and environmental sustainability of the sites and policies of a Local Plan in detail and proposes mitigation measures to overcome any negative impacts identified.

A key purpose of the Sustainability Appraisal is to facilitate the Strategic Environmental Assessment (SEA) Directive's required levels of environmental assessment, resulting in an integrated approach (the SEA Directive was transposed into English law by The Environmental Assessment of Plans and Programmes Regulations 2004 (SEA Regulations)).

A HRA has also been prepared in accordance with the Conservation of Habitats and Species Regulations 2017 (as amended), known as the Habitats Regulations. The Habitats Regulations establishes an ecologic network of sites and requires consideration as to whether an Appropriate Assessment (Habitat Regulations Assessment) needs to be undertaken as part of the preparation of the local plan.

In line with the Habitats Regulations, UK sites which were part of the Natura 2000 Network before leaving the EU, have become part of the National Site Network. The purpose is to assess what effects, if any, the plan might have on these protected sites, which include Special Areas of Conservation (SAC) and Special Protection Areas (SPA), against the conservation objectives of these sites.

Wetlands of international importance designated under the Ramsar Convention (known as Ramsar sites) do not form part of the National Site Network but are afforded the same level of protection as SACs and SPAs and are therefore also considered as part of the Habitat Regulations/Appropriate Assessment.

SA Outputs

SA outputs have been prepared at each stage of the plan making process for the SWDPR.

The **Scoping Report (2018)** was the first phase of the SA process. The scoping process set the criteria for assessment (including the SA Objectives) and established the baseline data and other information, including a review of relevant policies, programmes and plans (PPPs). The scoping process involved an overview of key issues, highlighting areas of potential conflict.

The **Regulation 18 (I) Issues and Options SA Report (2018)** assessed options for policies to be included in the SWDP Review.

The **Regulation 18 (II) Preferred Options SA Report (2019)** assessed 503 reasonable alternative sites identified across the plan area. These sites fed into the selection of the proposed site allocations at the Preferred Options consultation stage.

The **Regulation 18 (III) SA Report (2021)** included an assessment of nine reasonable alternative strategic locations, 48 draft SWDPR policies, 41 additional reasonable alternative sites and 79 reallocated sites (sites presently allocated in the 2016 SWDP). The SA report also set out the reasons for selecting and rejecting reasonable alternative sites.

The **Regulation 19 SA Report (2022)** has been prepared to summarise the SA process to date and help inform the examination stage of the preparation of the SWDPR. This report sets out the assessment of 64 SWDPR policies and proposed allocations, as well as 106 additional reasonable alternative sites. The SA Report also sets out the outline reasons for selecting and rejecting reasonable alternatives considered throughout the SA process to date.

HRA outputs

HRA outputs have also been prepared during plan making process for the SWDPR.

Stage 1: Screening for likely significant effects

The first stage in the HRA process was the screening stage. A preliminary screening exercise was undertaken in 2019 for the Regulation 18 (II) Preferred Options Consultation version of the SWDPR.

This process identified likely significant effects (LSEs) of the SWDPR upon Habitats sites, either alone or in combination with other plans or projects. This process has been repeated at Regulation 19 to capture any changes to the SWDPR since 2019.

Stage 2: Appropriate Assessment and Integrity Test

Where LSEs are identified from the SWDPR either alone or in-combination it is necessary to move to Stage 2 of the HRA process – the Appropriate Assessment and Integrity Test.

The Appropriate Assessment aims to present information in respect of all aspects of the SWDPR and ways in which it could, either alone or in-combination with other plans and projects, affect a Habitats site.

The SWCs (as the Competent Authority) must then ascertain, based on the findings of the Appropriate Assessment, whether the SWDPR will adversely affect the integrity of a Habitat site either alone or in-combination with other plans and projects. This is referred to as the Integrity Test and will draw on the conclusions of this report and take into consideration representations made by Natural England. The Appropriate Assessment was undertaken to accompany the Regulation 19 stage of the SWDPR.

4. Spatial Approach

4.1 Calculation of the Requirement

The SWC have used the Government's standard methodology to calculate the minimum housing need from 2022; this is in accordance with NPPF Paragraph 60. The minimum housing need figure has been calculated based on the Office of National Statistics (ONS) 2014-based sub-national population and household projections and the most recently published affordability ratios available (March 2022) in accordance with the advice set out in the NPPG on Housing and Economic Needs Assessments at Paragraph 4.

The NPPG on Housing and Economic Needs Assessments at Paragraph 8 advises that local authorities may rely on a housing need figure calculated under the standard methodology for two years from the submission of the plan. Consideration will be given over the course of the examination as to whether it is appropriate to retain the housing need figure as calculated herewith.

The full minimum housing need calculation for the SWC is set out below.

STEP 1 - BASELINE NEED

Household Change using 2014 Household Growth Projections (Table 406)⁴:

	2022 Projected Households	2032 Projected Households	2022 - 2032 Projected Household Change	Average Annual Change
Malvern Hills	35,200	37,969	2,769	277
Worcester	45,838	48,770	2,932	293
Wychavon	53,875	57,502	3,627	363

STEP 2 - AFFORDABILITY ADJUSTMENT

Affordability adjustment using 2021 Median Workplace-Based Affordability Ratios (Table 5c)⁵:

⁴ [Household projections - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/statistics/household-projections)

⁵

<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningslowerquartileandmedian>

	Ratio of Median House Price to Median Gross Annual Workplace-Based Earnings	Adjustment Factor
Malvern Hills	11.90	1.49375
Worcester	8.26	1.26625
Wychavon	10.39	1.399375

STANDARD METHOD CALCULATION

	Annual Baseline Need	Affordability Adjustment Factor	Total Annual Dwelling Need
Malvern Hills	277	137	414
Worcester	293	78	371
Wychavon	363	145	508
SWDP Totals	933	360	1,293

STEP 3 - CAPPING ANY INCREASE

No cap is applied as the 1,293 standard method total annual dwelling need is already less than 140% of the annual requirement set out in the adopted SWDP (1,314 additional 40% = maximum of 1,840 dwellings).

STEP 4 – CITIES AND URBAN CENTRES UPLIFT

Worcester is not one of the top twenty most populous urban areas according to the ONS ranking of major urban areas. Accordingly, a 35% cities and urban centre uplift is not applicable to the minimum housing need figure for the SWDP.

STANDARD METHOD OUTPUT: Total Annual Dwelling Need of 1,293 Dwellings

The minimum housing need figure has not been subject to a development cap, in accordance with the NPPG; it can therefore be considered to reflect an unconstrained assessment for all three districts. The minimum housing need figure may be increased, or uplifted, in response to a range of circumstances which reflect the government's ambition to increase housebuilding to a national rate of 300,000 dwellings per annum. The circumstance where an uplift may be indicated are set out

in the NPPG on Housing and Economic Needs Assessments at Paragraph 10 as including but not limited to:

- where funding is in place to promote and facilitate additional growth;
- where strategic infrastructure improvements that are likely to drive an increase in the homes needed locally;
- where an authority has agreed to take on unmet need from neighbouring authorities; and occasionally
- where previous levels of housing delivery or previous assessments of need are significantly greater than the outcome from the standard method.

Neither the circumstance of funding allocations to promote and facilitate additional growth nor strategic infrastructure improvements likely to drive an increase in the homes needed locally are pertinent to South Worcestershire. The approach taken to assisting neighbouring authorities with meeting their unmet housing needs is set out in Section 4.2.

It is clear from the evidence base supporting the SWDP Review that a substantial effort has been made to ensure that the most appropriate housing need figure is adopted.

The Government has made it clear, through revisions to the PPG during December 2020, that the 2014 household projections are the most appropriate basis for determining housing need and as such, neither the 2016 nor 2018 household projections should be used. However, it is helpful to reflect on the more recent sets of household projections since it is likely that further adjustments to the standard methodology will be forthcoming in the future and some verification of the projections is likely to become available during the course of the examination following publication of the first 2021 Census outputs.

Across England the 40% difference between the 2014 Household Projections produced by MHCLG and the 2016 Household projections produced by ONS have been well documented. For many local authorities, the 2016 projections predicted substantially lower levels of household growth than had been anticipated by the 2014 projections. The 2018 Household Projections were published during June 2020 and are broadly similar to the 2016 projections at the national level. However, the parity at the national level between the 2016 and 2018 projections conceals fundamental changes to the projection methodology which have resulted in significant variations for some local authorities.

The 2018 household projections are based on the 2018-based SNPP. The methodology was changed for the 2018 SNPP with a very narrow focus on two years of historic migration flows, as opposed to the usual five-year trend. This has meant

that the projections are unduly influenced by factors such as the number of homes built within an authority over that time period. This is illustrated within the figures for Wychavon District, where very high levels of housing delivery over recent years have been projected forward to indicate ever higher levels of growth. The ONS has highlighted that the 2018 projections are of limited use for long term planning stating in their ‘Quality and Methodology Information’ that “*household projections are not a prediction or forecast of how many houses should be built in the future...they show how many additional households would form if the population of England keeps growing as it did between 2011 and 2018 and keeps forming households as it did between 2001 and 2011*”⁶

The government consultation on the revised standard methodology during 2020 included a proposal to re-base the methodology to make use of the 2018 based household projections. The government has now withdrawn from this position in favour of increasing the number of homes required in the top twenty English cities. The population and household change predicted under the 2014, 2016 and 2018 SNPP are reproduced in Figure 3 for ease of reference. These figures illustrate the limitation of the 2018 SNPP particularly. Housing delivery in Malvern Hills and Wychavon has supported significant migration to those districts in meeting some of the needs of Worcester City in recent years, and may also reflect deficits of delivery in other housing market areas. The 2018 figures are not indicative of a need to ‘uplift’ the housing requirement but instead prompt an acknowledgement of the very cyclical nature of the housing market that cannot be incorporated into a projection based on a two-year migration trend.

	Population Change 2021 to 2031				Household Change 2021 to 2031		
	2014 Based	2016 Based	2018 Based		2014 Based	2016 Based	2018 Based
Worcester City	4,900	4,100	1,506	Worcester City	3,005	2,399	1,816
Malvern Hills	4,900	3,800	6,486	Malvern Hills	2,781	2,463	3,802
Wychavon	6,600	8,400	15,948	Wychavon	3,660	4,829	7,988
South Worcestershire	16,400	16,300	23,940	South Worcestershire	9,446	9,691	13,606

Figure 3: South Worcestershire SNPP and Household Projections, 2014 to 2018 Based

Paragraph 10 of the NPPG on Housing and Economic Needs Assessments provides that “occasionally” an indicator for uplifting the minimum housing need figure is

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<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/methodologies/householdprojectionsinenglandqmi>

where an adopted housing requirement or recent delivery rate is significantly greater than the outcome from the standard method. The difference between the housing requirement of 1,314 dwellings per annum adopted in the SWDP 2030 and the figure derived from the standard method is approximately 21 dwellings per annum. This is not considered to be “significantly greater”. In addition, it is helpful to consider how the adopted housing requirement was derived.

The reasoned justification supporting adopted SWDP Policy 3, at paragraph 4 sets out that the housing requirement represents the mid-point between the average of housing growth forecasts from two suites of jobs-led sensitivity scenarios which take account of additional in-migration resulting from forecast employment growth. This indicates that the adopted housing requirement, rather than being a demographic projection, was uplifted to account for predicted in migration due to forecast economic growth. It is clear from the evidence base supporting the SWDPR that there is sufficient scope within the minimum housing need figure calculated from the standard method to accommodate all economic growth scenarios. It is therefore considered that no further uplift in response to the marginally higher adopted housing requirement is indicated.

The SWDP authorities have also considered whether past delivery rates are indicative of a need to uplift the minimum housing need figure. Clearly the delivery rates over recent years across South Worcestershire have exceeded the adopted housing requirement. However, it is generally acknowledged that housing markets operate on a cyclical basis, hence a longer-term view of delivery is required to understand the levels of development which have historically been achieved.

The SWDPR is intended to be a development plan suitable to guide development for a 20-year period. In setting the housing need figure for the plan period it is important that a realistic figure is adopted which provides sufficient homes to meet the needs of communities, helps to address previous deficits in delivery that may compound affordability problems but is realistic to the amount of housing that the development industry is actually willing and able to deliver. The figure derived through the standard method attempts to balance these factors. Higher delivery figures achieved over recent years need to be viewed against the delivery figures achieved earlier in the economic cycle. Setting ever more ambitious requirements based on delivery would eventually put the housing land supply at risk. It is considered that no additional uplift is indicated by recent delivery figures that have exceeded the minimum annual housing need.

NPPG Paragraph 10 also notes that “Authorities are encouraged to make as much use as possible of previously-developed or brownfield land, and therefore cities and urban centres, not only those subject to the cities and urban centres uplift may strive to plan for more homes”. A comprehensive review of available land across South Worcestershire has been undertaken as part of the site selection process. Despite

maximising use of previously developed land, particularly within Worcester, there is still a substantial need for greenfield development to meet the minimum housing need identified under the standard method. No further uplift is therefore indicated under this circumstance.

In conclusion, the SWC consider that the minimum housing need figure identified under the standard method represents the most appropriate and ambitious target for the plan period.

4.2 Duty to Cooperate

The Duty to Cooperate (DtC) is an ongoing process. The Council has been working with nearby authorities and other organisations under the requirements of the DtC. These discussions have focussed on strategic matters that affect more than one authority and include unmet housing, as well as employment and infrastructure needs across neighbouring authorities in adjoining housing market areas. Engagement is continuing, but substantial alignment has been reached with many organisations on a range of issues.

The SWDPR is proceeding on the basis that it is able to meet its housing need on sites within the SWDP authority areas. Various housing market overlaps have been identified, from the macro influence of the Greater Birmingham and Black Country HMA to the north and the local overlaps with the Gloucester, Cheltenham and Tewkesbury HMA to the south and the weaker links with Herefordshire HMA to the west.

Despite being situated largely outside of the Green Belt there is not a significant surplus of suitable development land or infrastructure in South Worcestershire which makes it a particularly good candidate for accommodating the needs of neighbouring authorities. At the time of publication, the SWDP authorities had not been asked to help meet the unmet housing needs arising within Greater Birmingham and the Black Country. However, the recent change to the government's approach to calculating minimum needs for cities and urban centres introduced during December 2020, has given rise to a significant increase to the housing need that is expected to be met within the Greater Birmingham and Black Country HMA. It is understood, at this early stage, that it is the Government's intention that the cities uplift should be met within the city. The SWDP authorities will maintain their continuing dialogue with colleagues in neighbouring authorities to ensure that an appropriate collective response is achieved.

The boundaries of Tewkesbury Borough and Wychavon District are delineated so that the areas of land to the north of Tewkesbury town lie within Wychavon District. Due to the substantial constraints on growth at Tewkesbury, the Inspector examining the Gloucester, Cheltenham and Tewkesbury Joint Core Strategy sought to address

the needs of Tewkesbury Borough on land outside of that district. A commitment to meeting some of the housing needs of Tewkesbury Borough on land adjacent to Tewkesbury town at Mitton was made within a Memorandum of Understanding undertaken during the examination of the Gloucester, Cheltenham and Tewkesbury Joint Core Strategy in 2017. The associated 500 dwellings are now the subject of a planning application. An extension of the site to accommodate a further 500 dwellings (plus associated community infrastructure) is proposed in the SWDPR. The additional 500 dwellings are intended to meet the needs of the SWDP authorities. The site selection process that determined the proposed allocation of the further 500 dwellings is set out in Section 4.6.

4.3 Settlement Hierarchy

One of the first steps in determining the most appropriate distribution of residential development in South Worcestershire was the establishment of a settlement hierarchy. Since the SWDPR constitutes a review of the SWDP, the adopted hierarchy was the starting point. The adopted SWDP identifies Worcester as the primary settlement within the hierarchy, with Droitwich Spa, Evesham, and Malvern as secondary settlements, termed main towns. Pershore, Tenbury Wells and Upton-upon-Severn are identified as tertiary settlements and are termed other towns. The primary, secondary and tertiary settlements in the adopted hierarchy have continued to fulfil the function ascribed to them in the SWDP Review and continue to provide the appropriate level of service commensurate with their position in the hierarchy. It is proposed to retain the status of the settlements in the upper levels of the settlement hierarchy as these settlements continue to provide an appropriate focal point for residential development.

Existing lower order settlements across South Worcestershire have been assessed by the September 2019 Village Facilities and Rural Transport Survey (VFRTS), the parameters of the assessment are discussed in Section 3.8 of this paper. The final section of the VFRTS methodology sets out an approach to delineating the settlements according to the level of service provision within each settlement.

Category 1 – Settlements in this category have at least four key services and score at least 16 points in the Village Facilities Survey. In addition, they have access to all daytime journey types (A, B, C, D, E, F, and G).

Category 2 – Settlements in this category have at least two key services and have access to at least a daily bus service for employment and shopping purposes (A and B journey types).

Category 3 – Settlements in this category have at least one key service (other than a parish / village hall) and have access within the settlement to at least a daily bus service to a “designated town”, or three of the daytime journey types.

Category 4 – Settlements in this category either have access to some secondary facilities / services but limited or no bus service provision or have low or medium level of public transport provision but low services / facility provision

Villages considered in the open countryside – All other villages that have no key services and limited or no bus service provision.

4.4 Site Selection Methodology

The South Worcestershire authorities have implemented a rigorous site assessment process throughout the plan review making use of the SHELAA, Sustainability Appraisal (SA) and consultation processes to ensure that the most appropriate sites have been selected for allocation. The iterative process undertaken has helped to ensure that sites that could be 'suitable' for residential development are only selected for allocation where their development would be in accordance with the spatial strategy.

Identifying Site Allocations

A key component of the evidence base for identifying suitable site allocations was the SHELAA and the associated detailed site assessment process.

The 2019 SHELAA Report

1,230 sites were submitted through the 'Call for Sites'. 503 sites were identified as having potential for development and were therefore considered as reasonable alternatives. These sites were then assessed through the SA process. There are 120 final site allocations. The remaining 607 sites were not taken forward for reasons such as:

- physical limitations or problems such as access, infrastructure, ground conditions, flood risk, hazardous risks, pollution or contamination;
- potential impacts including the effect upon landscapes including landscape features, nature and heritage conservation, landscape character and sensitivity;
- appropriateness and likely market attractiveness for the type of development proposed; contribution to regeneration priority areas;
- environmental/amenity impacts experienced by would be occupiers and neighbouring areas.

In addition, a number of sites which were either in the vicinity of a village categorised as being in Category 4 or below, or in the open countryside, were not carried forward for further consideration due to their location.

The Preferred Spatial Strategy

The most sustainable spatial strategy for the SWDP Review was considered to be one that promotes rail-based growth, i.e. locating all significant new development within three miles of an existing, enhanced or proposed station, with a combination of developing under-used and vacant brownfield sites, sites that are located close to active travel and sustainable travel hubs and allocating other smaller sites in sustainable locations. This strategy will also incorporate those existing site allocations that have not yet been developed but are still considered to be in sustainable locations (known as reallocations for the purposes of the SWDP Review). As part of the delivery of the spatial strategy and to meet the identified housing requirement, there was a need to look at how housing and employment land could be delivered through the allocation of larger strategic growth areas.

The delivery of housing and employment land through the identification of larger strategic growth areas, including a new settlement(s), was supported by respondents to the Issues and Options consultation. In addition, employment sites need to be accessible by both the strategic highway network and rail facilities and need to address the locational requirements of the various sectors.

Therefore, taking all of these factors into account, the option for growth that best met the objectives of the Plan was a combination of rail-based growth, regeneration of brownfield sites and the allocation of sustainable strategic growth areas. This formed the basis for identifying the strategic sites and other allocations.

The Regulation 18 (III) Sustainability Appraisal (2021) provided information to help clarify the report published during the previous Regulation 18 (II) Preferred Options consultation carried out in November / December 2019.

The report provided updates to the following sections of the SWDP Review (as submitted at the 2019 Preferred Options Regulation 18 (III) stage), as relates to the analysis of, and reasoning for, the selection and rejection of reasonable alternatives:

- a) draft SWDP Review policies;
- b) proposed strategic location sites and reasonable alternatives;
- c) proposed site allocations and reasonable alternative; and
- d) proposed SWDP reallocation sites.

The report reaffirmed the proposed spatial strategy as related to progressing with a large new settlement(s) as the most sustainable and environmentally preferable option for delivering housing and employment opportunities and provided analysis of the reasonable alternatives in terms of selection and rejection.

Identification of Strategic Sites

The SHELAA submissions featured a number of available land holdings large enough to accommodate a new or expanded settlement of a size which could deliver

a reasonable degree of self-containment, would be likely to meet the criteria for a strategic growth area and would meet the objectives of the Plan review.

The main criteria required for a strategic location were as follows:

- they are able to accommodate sufficient land, homes, employment and other land uses;
- they are within three miles to a railway station (existing or planned) which is on a line(s) where there is or could be passenger growth capacity;
- they are not overly constrained by environmental constraints e.g. flooding, landscape sensitivity etc;
- they have the potential to create a high-quality environment for a new community; and
- they could reasonably meet some of Worcester City's housing and employment needs.

Each of the sites was assessed using the criteria and the Plan objectives, recognising that not all of the potential strategic locations would meet the criteria in full.

Those sites that met the criteria were all partially assessed as various land parcels during the SA process for the Regulation 18 (ii) Preferred Options consultation in 2019, with some sites located in areas that were chosen as proposed strategic locations. Mitton was not a proposed strategic location at the time of Regulation 18 (ii), but the individual land parcels were still assessed.

An update to the Sustainability Appraisal (SA Reg18 (iii) 2021) provided further analysis of, and reasoning for, the selection and rejection of reasonable alternatives for the strategic sites. The SA Reg18 (iii) 2021 assessed the following nine strategic location reasonable alternatives:

- a. Worcestershire Parkway (Norton Parkway);
- b. Rushwick;
- c. Throckmorton;
- d. Kempsey (Land South of Worcester South);
- e. Lower Broadheath (Land West of Worcester West);
- f. Hinton on the Green (Land South-West of Evesham);
- g. Hanley Castle;
- h. Land at Mitton (DtC consideration with Tewkesbury Borough Council);
and
- i. Strensham.

A broad indication of the best performing strategic locations was identified. The SA Reg18 (iii) 2021 also assessed further proposed site allocations and reasonable alternatives; and proposed SWDP reallocation sites for the SWDP Review.

4.5 Windfall Allowance

A windfall allowance may be justified if a local planning authority has ‘*compelling evidence*’ as set out in Paragraph 70 of the NPPF. Windfalls are defined as sites not specifically identified in the development plan. They comprise sites that have unexpectedly become available over time, and which were not anticipated by the planning authority when the plans were in preparation.

The SWCs have had a steady supply of windfall completions come forward annually for the past 15 years, as can be seen in Figure 4. These comprise of small windfall sites, namely sites of 1 to 9 dwellings which are not allocated within the SWDP. Windfall sites have consistently contributed to the delivery of housing in South Worcestershire.

Monitoring Year	Malvern Hills Small Windfall Completions	Worcester Small Windfall Completions	Wychavon Small Windfall Completions	Total
2006/07	85	90	124	299
2007/08	168	101	86	355
2008/09	85	73	83	241
2009/10	63	82	53	198
2010/11	60	66	67	193
2011/12	82	61	78	221
2012/13	61	56	86	203
2013/14	76	45	89	210
2014/15	86	95	116	297
2015/16	44	80	108	232
2016/17	68	88	133	289
2017/18	86	41	123	250
2018/19	128	120	145	393
2019/20	51	72	65	188

2020/21	101	60	178	339
Total	1,244	1,130	1,534	3908
Average	83	75	102	261

Figure 4: South Worcestershire Windfall Completions 2006/07 to 2020/21

A total of 3,908 dwellings were completed between 2006/07 to 2020/21 on small windfall sites, giving an average of 261 windfall completions annually across the SWC. Although there is evidence to suggest a consistent supply of large windfall sites (10 or more dwellings) across South Worcestershire, to remain cautious in determining a windfall allowance, large windfall completions have not been included.

The Inspector conducting the Examination into the SWDP (2016) confirmed in his Interim Conclusions (October 2013) that, in principle, he saw no objection to the Plan accounting for windfalls as part of the supply of housing over the plan period. It was agreed a figure of 180 dwellings per annum as a windfall allowance, which allowed a conservative and cautious approach to windfall allowance.

A windfall allowance has been included within the housing supply to meet the housing requirement for the plan period. The housing trajectory and five year housing land supply also include the windfall allowance.

To ensure double counting has not occurred, the windfall allowance is not included in years 1-3, with years 4-10 including the full windfall allowance of 180 dwellings per annum. For the remainder of the plan period (years 11-20, 2031/32 to 2040/41) the windfall allowance is reduced by one third to 120 dwellings per annum. This is due to the expectation that smaller infill sites occurring across the SWC will reduce over time, and that the three strategic sites would be under construction, also reducing the reliance on windfall completions.

5. Housing Market Mix, Type and Tenure

5.1 Affordable Housing

The South Worcestershire Councils commissioned Arc4 consultants to produce a SHMA in 2018 and a subsequent update in 2021. The SHMA sets out the cost of buying and renting properties across South Worcestershire and then considers the affordability of tenure options against local incomes and the incomes of key workers and households on minimum/living wages.

The relative cost of alternative housing options across the South Worcestershire housing market area has been considered from two perspectives within the SHMA. Firstly, the prices at housing market area level across a range of market and affordable tenures and the incomes required to afford these properties. Secondly, an analysis of what is genuinely affordable to households based on local incomes and assumptions around the proportion of income that should be spent on renting and the multiples of income for buying. The analysis of what is genuinely affordable also considers the incomes of selected key workers and those on minimum and living wages.

The thresholds for what is considered to be affordable and not affordable are as follows:

- for renting, 25% of gross household income is used as the ‘tipping point’ for affordability, with properties not affordable if more than 25% of income is spent on rent. There is no official guidance on what proportion of income should be used. Former CLG SHMA Practice Guidance (2007) recommended 25% and Shelter suggest using 35% of net income; and
- for buying, affordability is based on a 3.5x gross household income multiple. Former CLG SHMA Practice Guidance (2007) recommended a 3.5x multiple for a household with a single earner and 2.9x for a dual earner.

Table 3.7 of the SHMA (provided below) shows the costs of alternative tenures along with the household income required to afford them.

Table 3.7 Cost of alternative tenures by district and income required to be affordable				
Tenure option	Price (2020)			
	Malvern Hills	Worcester	Wychavon	South Worcestershire
Social Rent (average)	£411	£371	£403	£395
Affordable Rent (monthly cost)	£562	£527	£600	£554
Market Rent - Lower Quartile	£598	£524	£650	£550

Market Rent – Median	£702	£659	£750	£693
Market Rent - Average	£805	£689	£882	£757
Market Sale - Lower Quartile	£198,625	£169,963	£207,000	£185,000
Market Sale - Median	£267,250	£210,000	£280,000	£250,000
Market Sale - Average	£328,310	£249,811	£345,209	£307,135
Shared Ownership (50%)	£133,625	£105,000	£140,000	£125,000
Shared Ownership (25%)	£66,813	£52,500	£70,000	£62,500
Help to Buy	£267,250	£210,000	£280,000	£250,000
Discounted Home Ownership (30%)	£187,075	£147,000	£196,000	£175,000
Discounted Home Ownership (25%)	£200,438	£157,500	£210,000	£187,500
Discounted Home Ownership (20%)	£213,800	£168,000	£224,000	£200,000
Tenure option	Income required (2020)			
	Malvern Hills	Worcester	Wychavon	South Worcestershire
Social Rent (average)	£17,632	£15,909	£17,274	£16,938
Affordable Rent (monthly cost)	£24,069	£22,594	£25,714	£23,760
Market Rent - Lower Quartile	£28,704	£25,152	£31,200	£26,400
Market Rent - Median	£33,696	£31,632	£36,000	£33,264
Market Rent - Average	£38,620	£33,058	£42,323	£36,345
Market Sale - Lower Quartile	£51,075	£43,705	£53,229	£47,571
Market Sale - Median	£68,721	£54,000	£72,000	£64,286
Market Sale - Average	£84,422	£64,237	£88,768	£78,978
Shared Ownership (50%)	£50,499	£39,990	£52,840	£47,333
Shared Ownership (25%)	£41,623	£33,015	£43,540	£39,029
Help to Buy	£53,450	£42,000	£56,000	£50,000
Discounted Home Ownership (30%)	£50,778	£39,900	£53,200	£47,500
Discounted Home Ownership (25%)	£54,404	£42,750	£57,000	£50,893
Discounted Home Ownership (20%)	£58,031	£45,600	£60,800	£54,286
CAMEO Income data				
Median income	£25,000	£15,000	£25,000	£25,000
Median income	£35,000	£25,000	£35,000	£35,000

This information indicates that households on lower quartile incomes cannot afford any tenure option/product at the current prices except for social renting. For households on median incomes, social/affordable and lower quartile market rents are affordable. By comparison, households on median incomes cannot afford market sales at any of the price points or affordable home ownership products without resorting to higher mortgage multiples than 3.5 or having higher deposits. This comparison of local incomes with the cost of local house prices and rents illustrates the affordability challenge faced by residents within South Worcestershire. It shows

the particular challenge faced by households who do not have either existing equity or savings.

Having considered what a household needs to earn to afford alternative tenures, the SHMA considers the actual incomes of households across the SWCs and how they relate to current market prices and rents. The analysis helps to establish the extent to which different tenures are affordable and what are genuinely affordable prices and rents based on local incomes.

A number of tables and charts within the SHMA look what would be genuinely affordable based on local incomes. For example, lower quartile rents are £598 across Malvern Hills where the lower quartile income is £2,083. This means that a household is spending 28.7% of income on rent. To be genuinely affordable, that is, costing no more than 25% of gross income, a lower quartile should be £521 each month and median rent should be £729 each month.

The analysis also shows that prices across South Worcestershire are in excess of 3.5 times household incomes and South Worcestershire-wide, a property should cost no more than £87,500 to be affordable to households on lower quartile and £122,500 to households and median incomes. Key workers on entry-level grades are generally having to spend more than 25% of their income on rent and multiples in excess of 3.5 times were generally needed when buying a property.

Using the evidence presented in chapter 3 of the SHMA, it is possible to establish what would be a genuinely affordable rent and purchase price across South Worcestershire and constituent local authorities (Table 3.13 of the SHMA). This is based on local incomes and assumes that no more than 25% of income is spent on rent and a household income multiple of 3.5 times is applied to local household incomes when testing the affordability of buying.

SWDPR 18: Meeting Affordable Housing Needs (Regulation 19)

The policy states that all new residential development, including conversions, above the thresholds in SWDPR 18 B (and adjacent land, if it could reasonably form part of a larger site) will contribute to the provision of affordable housing. Also, the number, size, type, tenure and distribution of affordable dwellings to be provided will be subject to negotiation, dependent on recognised local housing need (including the need of older residents and residents with special needs), specific site and location factors. Factors to be taken into account include the need to have secure arrangements in place to ensure that the affordable housing provided in accordance with this policy will remain affordable (or that the subsidy will be recycled for alternative affordable housing provision) and, for sites outside the city, towns or strategic allocations, available to meet the needs of local people.

Affordable housing is defined as housing for sale or rent that is made available for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and / or is for essential local workers); and which complies with one or more of the following definitions:

- a. Affordable housing for rent;
- b. Starter homes;
- c. Discounted market sales housing; or
- d. Other affordable routes to homes ownership including First Homes.

After the adoption of the SWDP Review, an updated Affordable Housing Supplementary Planning Document (SPD) will be published. It will contain further detailed advice on how policy SWDPR18 will be applied, including levels of off-site contributions, the circumstances that may justify an off-site contribution, local connections and the procedures to be followed when a planning application is submitted.

The policy identifies a baseline level of affordable housing provision that local communities may choose to supplement on other sites, for example as part of their involvement in the neighbourhood planning process, or through the Rural Exception Site (see SWDPR 19) and First Homes Exception Sites (See SWDPR 19A) process.

5.2 Specialist Housing

The South Worcestershire Councils commissioned a Strategic Housing Market Assessment (SHMA) in 2018 with an update in 2021.

In accordance with PPG, the housing need assessment has considered the future need for specialist accommodation, the need for residential care and considered the role of general housing in meeting needs, in particular bungalows and homes that can be adapted to meet a change in needs.

Specialist Older Person Accommodation

Within South Worcestershire, the number of households headed by someone aged 65 or over is expected to increase by 21,013 (45.6%) by 2041. According to a national database held by Arc4 consultants, the majority of older people aged 65 and over (76.6%) want to continue to live in their current home with support when needed according to the household survey, with help with repair/maintenance, gardening, cleaning, and other practical tasks, which would help people remain in their own home. There is also a need to deliver a range of smaller dwellings (particularly level-access accommodation) for older people across all tenures and specialist older persons housing provision.

Currently there are around 7,320 units of specialist older person accommodation across South Worcestershire comprising 2,465 units of residential care (C2 use class) dwellings and 4,855 units of specialist older person dwellings (C3 use class) such as sheltered and Extra Care. Analysis of demographic change would suggest a need for an additional 4,836 units comprising 1,638 residential care (C2) units and 3,198 older person (C3) dwelling units by 2041.

The SHMA update does not specify the precise nature of specialist older person dwellings to be built. This is to allow flexibility in delivery and PPG states that ‘any single development may contain a range of different types of specialist housing’ (PPG Paragraph: 010 Reference ID: 63-010-20190626).

A key conclusion is that there needs to be a broader housing offer for older people across the SWC area and the SHMA update has provided evidence of the scale and range of dwellings needed.

A wealth of information has been assembled from various sources which helps to scope out the likely level of disability across South Worcestershire’s population. Although it is a challenge to quantify the precise accommodation and support requirements, the SHMA has helped to scope out where needs are arising and has provided indicators of specific needs across various needs groups.

It is estimated there are around 75,500 people with a disability across the SWC area and is projected to increase to around 92,600 by 2041. Regarding housing for people with disabilities, national data collected by Arc4 consultants suggests around 7.5% of households live in properties which have either been purpose-built or adapted for someone with an illness or disability.

Given the ageing population of the area and the identified levels of disability amongst the population, it is recommended that 4.5% of new dwellings are built to wheelchair accessible M4(3) standard, with all remaining new dwellings built to M4(2) accessible and adaptable standard.

Note that there is overlap between affordable, specialist older person and M4(3) need, so for instance the development of an older person’s level access, wheelchair accessible affordable dwelling would help address three aspects of housing need.

The emerging SWDP Review policy (SWDPR23 – Class C2 Housing for People with Special Housing Need) states that where housing for older people or people with special needs falling into Class C2 of the Town and Country Planning (Use Classes) Order 1987 (as amended) is proposed, permission will be supported provided that:

- i. There is an evidenced requirement for that type of accommodation;
- ii. It is designed to meet the particular requirements of residents with social, physical, mental and / or health care needs; and

- iii. The scheme has good access to public transport, healthcare, shopping and other community facilities for its residents, their visitors and on-site workers.

Therefore, sites within the development boundaries, allocated sites and the strategic allocations will provide an opportunity for a wide range of homes to be built including specialist older person homes (both C3 and C2 use). Where evidenced, this policy enables the provision of specialist C2 housing to help meet an identified shortfall, on sites outside of the development boundaries with good access to public transport, healthcare, shopping and other community facilities.

Student Accommodation

Within the SWDP area, there is limited need for bespoke student accommodation in Wychavon and Malvern Hills. In Worcester City, there is a range of purpose built and private rented properties for students and there is strong demand for good quality private rented properties in the city. Student accommodation (C3 use) can be counted towards housing delivery via a ratio. A ratio of 2.5 is used, therefore where 2.5 new student properties are built, this will equate to 1 C2 (private dwelling) in the housing supply.

5.3 Adaptable Homes

Adaptable homes relates to the role of general housing, in particular bungalows, that can be adapted to meet a change in needs.

The profile of dwellings occupied by households aged 65 and over by age group, using the national database collected by Arc4 consultants, is summarised in Table 5.11 of the SHMA (provided below). This shows that the majority (63%) live in houses, particularly those with 3 or more bedrooms, 22.2% live in bungalows, 13.8% in flats and 1.1% in other dwellings.

Table 5.11 Dwellings occupied by households where the HRP is aged 65 and over				
Dwelling type and size	65 to 74	75 to 84	85+	Total
1 or 2-bedroom house	13.1%	13.6%	12.8%	13.2%
3 or-more bedroom house	54.6%	46.0%	36.1%	49.7%
1-bedroom bungalow	3.4%	5.1%	6.6%	4.3%
2 or more-bedroom bungalow	15.2%	21.0%	22.4%	17.9%
1-bedroom flat	6.2%	6.1%	8.9%	6.5%
2 or more-bedroom flat	6.5%	7.2%	11.7%	7.3%
Other	1.0%	1.1%	1.5%	1.1%
Total	100.0%	100.0%	100.0%	100.0%
Base	349,050	200,566	69,218	618,834

The provision of appropriate adaptations to existing dwelling stock can help people lead independent lives. Planning Practice Guidance also asks Councils to consider the extent to which existing dwelling stock can help meet the needs of older people.

Given that the majority of older people want to remain in their own homes with help and support when needed, the arc4 national database provides a useful insight into the proportion of households who need care and support and the extent which properties are adapted (Table 5.11 of the SHMA).

Table 5.12 of the SHMA (provided below) shows that 7.6% of all households require care and support to enable them to stay in their home. This is highest amongst 75 and over age groups and from households living in affordable housing. Of households with a household reference person aged 85 and over, 31.2% require help and support to enable occupiers to stay in their own home.

62.8% of households have sufficient space for a carer to stay overnight if needed – and this increases to 71% across 75 and over older age groups. Owner occupiers were most likely to have space available, but private and in particular social renters were less likely. Around 40% of respondents in affordable housing had sufficient space for a carer.

Around 7.5% of all dwellings had been adapted or purpose-built for a person with a long-term illness, health problem or disability. This was highest amongst affordable housing occupants (19%) and lowest amongst owner occupiers (4.7%).

Table 5.12 Adaptations, support needs and space for carer by tenure and age group

	Is there sufficient space in your home for a carer to stay overnight, if this was needed?	Do you, or any other members of your household, require care or support to enable you/them to stay in this home?	Has your current home been adapted or purpose-built for a person with a long-term illness, health problem or disability?
Tenure	Yes (%)	Yes (%)	Yes (%)
Owner Occupied	73.6%	5.3%	4.7%
Private Rented	45.1%	7.9%	5.0%
Affordable	39.8%	15.6%	19.0%
All tenures	62.8%	7.6%	7.5%
Age of household reference person	Yes (%)	Yes (%)	Yes (%)
Under 65	59.6%	6.2%	5.8%
65 to 74	73.9%	7.4%	10.4%
75 to 84	71.2%	12.6%	14.8%
85 and over	71.2%	31.2%	25.5%
All age groups	62.8%	7.6%	7.5%

Estimating Future Need for Adaptations and Home Improvement

The national database collected by Arc4 consultants provides evidence of the range of adaptations and home improvements needs based on the age group of the household reference person (Table 5.13 of the SHMA, provided below).

Better heating, more insulation and double glazing were most frequently mentioned improvements needed, particularly amongst under 65 households. The need for a downstairs toilet was mentioned by older groups.

Regarding adaptations, these were mainly mentioned by older households and most frequently mentioned were bathroom adaptations, internal and external handrails/grabrails and kitchen adaptations. The need for adaptations was generally highest amongst the 75+ age group.

These requirements are self-determined by residents responding to the household survey and may not necessarily reflect actual requirements following an independent assessment in the home.

Table 5.13 Adaptations and home improvements required by age group					
Adaptation/improvement required	Age group (% of households)				Total
	Under 45	45-64	65-74	75+	
Home improvement					
More insulation (loft, wall cavities)	26.7%	19.5%	12.2%	7.5%	19.2%
Community alarm service	3.2%	4.0%	6.1%	11.4%	4.9%
Better heating	24.1%	21.5%	15.9%	13.3%	20.5%
Double glazing	20.8%	17.5%	10.8%	7.8%	16.4%
Improved ventilation	8.6%	4.4%	2.5%	1.6%	5.0%
Downstairs WC	5.8%	8.1%	10.0%	11.0%	8.0%
Increase the size of property (e.g. extension, loft conversion)	17.8%	6.6%	2.8%	1.7%	8.8%
Adaptations					
Adaptations to bathroom	7.9%	13.6%	18.6%	21.8%	13.6%
Adaptations to kitchen	9.4%	8.3%	6.3%	7.2%	8.2%
External handrails /grab rails	4.0%	7.2%	10.5%	14.9%	7.6%
Internal handrails /grab rails	5.3%	9.4%	12.9%	18.0%	9.7%
Stair lift / vertical lift	3.1%	6.5%	10.3%	15.0%	7.0%
Adaptations relating to sensory needs	7.5%	5.2%	3.8%	2.6%	5.4%
Improvements to access (e.g. level access in and around home)	3.3%	4.4%	4.4%	6.5%	4.3%
Wheelchair adaptations (including door widening and ramps)	3.1%	4.2%	4.6%	7.0%	4.2%
Lever door handles	2.2%	2.9%	2.5%	2.7%	2.6%
Room for a carer	2.6%	3.2%	2.2%	3.6%	2.9%
Base (all households)	106,161	179,922	56,235	49,085	391,403

Resources for aids and adaptations remain limited, particularly for households in the private sector (owner occupation or privately rented accommodation). However, the provision of appropriate adaptations is essential to older households in maintaining independent living. Alternative sources of funding, such as equity loans, could be considered to finance remedial measures required by older person households. It should be pointed out that whilst local authorities will assess anyone's needs, assistance is currently means tested and some older person households will self-fund.

Assistance in the Home

The arc4 national database also provides information on a range of practical assistance required from households by age group (Table 5.14 of the SHMA, provided below). Overall, the highest level of need is for help with repair and maintenance of the home, help with gardening and help with cleaning the home. For all types of assistance, the level of need increases with age which includes the need for company/friendship, mentioned by one-third of people aged 75 and over.

Table 5.14 Type of assistance required age group					
Type of help needed now or in next 5 years	% households needing help by age group of HRP				
	Under 45	45-64	65-74	75+	All
Help with repair and maintenance of home	30.4%	35.8%	45.3%	52.1%	38.2%
Help with gardening	17.1%	26.8%	46.1%	64.8%	32.6%
Help with cleaning home	11.6%	19.3%	30.5%	52.8%	23.7%
Help with other practical tasks	9.8%	16.6%	24.2%	44.2%	19.9%
Help with personal care	9.0%	14.3%	16.5%	26.7%	15.1%
Want company / friendship	9.7%	14.4%	17.7%	32.2%	16.2%
Base (all households)	323,285	650,785	213,315	183,844	1,371,229

With regard to emerging policies within the SWDPR, SWDPR16 Housing Mix and Standards and SWDPR 22 Class C2 Housing for People with Special Housing Needs, aim to ensure that the right type of housing is provided for those with specialist needs.

SWDPR16 Housing Mix and Standards

Policy SWDPR16 aims to provide a range of appropriate house types that meet the needs of those requiring specialist or adaptable homes. The policy states that all new dwellings should meet the requirements of Building Regulations Part M4(2) dwelling standard (Accessible and Adaptable Dwellings) and also, on sites of 20 dwellings or more, 5% of the dwellings (equally split between market and affordable where practicable) should also meet the requirements of Building Regulations Part M4(3)(2)(a) dwellings standard (Wheelchair Adaptable Dwellings).

Previously, the Lifetime Homes standard set specific requirements in relation to access and adaptability but this has now been superseded by the introduction of the Government's new Accessibility and Wheelchair Housing Standards. Building Regulations, Part M (Volume 1), updated on 1 October 2015 includes Category 1 (M4(1) visitable dwellings) which is a mandatory access standard and two 'optional' standards: Category 2 (M4(2) accessible and adaptable dwellings), and Category 3 M4(3) (wheelchair user dwellings) which can be required by a local plan policy.

Category 2: Accessible & Adaptable Dwellings M4(2) – (broadly comparable to Lifetime Homes' standard). This requirement is met when a new dwelling provides reasonable provision for most people to access the dwelling and includes features that make it suitable for a range of potential occupants, including older people, individuals with reduced mobility and some wheelchair users.

Category 3: Wheelchair User Dwellings M4(3) – (broadly similar to Wheelchair Housing Design Guide standards). This requirement is met when a new dwelling provides reasonable provisions for a wheelchair user to live in the dwelling and enables them to use any outdoor space, parking and communal facilities. There are two standards:

- a) Category 3 2a – 'Wheelchair adaptable' dwellings (a home that can be easily adapted to meet the needs of a household including wheelchair users, providing space and layout features, but not fully fitted out)
- b) Category 3 2b – 'Wheelchair accessible' dwellings (a home readily useable by a wheelchair user, including step-free access)

National Planning Practice Guidance (31) states that there should be provision of appropriate housing for people with disabilities, including specialist and supported housing, and is crucial in ensuring their independence. The Government's position is that older persons should remain at home rather than enter Use Class C2 residential facilities, where possible; thus, supporting the principle of policies for new homes that are adaptable for a less mobile population.

The most recent data estimates that 22.9% of all residents have an illness/disability and this is expected to increase to 24.9% by 2030. The SHMA also recognises that nationally 3.4% of households include wheelchair users with 1% using the wheelchair inside the home and 2.4% using a wheelchair only outside. When these proportions are applied to the SWDP area, there are 1,126 households requiring wheelchair accessible dwellings.

The population aged 65 years or older for the south Worcestershire area is expected to increase by 32.6% from 67,700 in 2016 to 89,800 in 2030. Given the expected higher rates for older people, the number of older person households is likely to increase over the plan period and the proportion of households needing wheelchair friendly housing in the future is also likely to be higher.

SWDPR 23 Class C2 Housing for People with Special Housing Needs

Emerging Policy SWDPR 23 Provides the opportunity for new homes to be constructed or converted to meet the particular requirements of residents with social, physical, mental and / or health care needs. The policy recognises that the health and lifestyles of older people will differ greatly, as will their housing needs, which can range from accessible and adaptable general needs housing to specialist housing with high levels of care and support.

5.4 Houses of Multiple Occupation (HMOs)

A House in Multiple Occupation (HMO) is a housing classification for a house or flat with three or more tenants, forming two or more households. Some HMOs will be subject to licensing – either a mandatory licence for houses with 5+ occupants or an HMO additional licence for all other types of HMO. A licence lasts up to five years and will need to be renewed.

Worcester City Council

Following the introduction of an Article 4 Direction on 1st July 2014, Worcester City Council produced a Houses in Multiple Occupation Supplementary Planning Document (SPD) (2014). The Article 4 Direction removes previous permitted development rights which allowed changes of use from C3 (dwelling house) to C4 use (HMO) without the need for planning permission.

Worcester City Council has introduced a discretionary Additional Licensing scheme that covers the wards of Arboretum, Bedwardine, Cathedral, St. Johns and St Clements.

Wychavon District Council and Malvern Hills District Council

A licence is required if properties are rented to five or more people, not from the same household and they share facilities.

As of November 2021, there were 53 HMOs with licences within Wychavon DC and 9 HMOs with licences within Malvern Hills DC.

Student Accommodation

Students studying a full-time course of further education and higher education at a specified education establishment which manage the building and the specified education establishment is subject to an approved code of practice are exempt from having a House in Multiple Occupation (HMO) licence. Privately owned student houses are not exempt and will require a licence.

Within the SWDP area, there is limited need for bespoke student accommodation in Wychavon and Malvern Hills. In Worcester City, there is a range of purpose built and

private rented properties for students and there is strong demand for good quality private rented properties in the city.

Notwithstanding the introduction of a Houses in Multiple Occupation SPD, it is considered that the prevalence of HMO accommodation in Worcester is not of a scale that warrants a bespoke assessment of the contribution that conversion from single household to HMO use will make to the housing land supply. Conversion of an existing single household dwelling to an HMO would typically result in the provision of accommodation for five or more households. The prevalence of HMO will be monitored and a contribution from future HMO conversions to the housing supply applied using the ratio of 2.5. Where 2.5 student units (Use class C2) would equate to one individual dwelling house (Use class C3).

5.5 Custom and Self Build Housing

Self-build and custom housing covers a wide range of projects, including projects where individuals are involved in building or managing the construction of their home from beginning to end, to projects where individuals commission their home, making key design and layout decisions, but the home is built ready for occupation. The Self Build and Custom Housebuilding Act 2015 (as amended) does not distinguish between self-build and custom build projects.

The NPPF 2021 sets out that the government wants to enable more people to build their own homes and wants to make this form of housing a mainstream housing option. Responsibility for keeping a self-build and custom housebuilding register falls to local authorities.

There are a total of 354 households currently on the self/custom build register (Malvern Hills 120, Worcester 49 and Wychavon 185) at February 2022. This compares with a figure of 118 in November 2018.

The South Worcestershire Councils' approach to self-build custom housebuilding is contained within emerging policy SWDPR16 - Housing Mix and Standards. The policy states that on sites of 10 dwellings or more, 5% of the dwellings should be for sale as serviced Self or Custom Build plots unless demand identified on the LPA Self-Build and Custom Housebuilding Register, or other relevant evidence, demonstrates that there is a lower level of demand for plots.

Previously, planning applications for Self-Build and Custom Build plots were considered against the same planning policies as other types of market housing with many applications refused as a result. Although some planning permissions have been granted, a policy allowing for Self and Custom Build plots on sites of more than 20 dwellings is likely to best support Self-Build and Custom Housebuilding in south Worcestershire. It is acknowledged that many people on the register do not wish to be on a larger development but are looking for single plots or plots on small developments. There is no requirement for the SWCs to provide plots tailored to

meet the individual needs of those registered and the provision of isolated dwellings in the open countryside would be contrary to the NPPF (paragraph 79); the threshold for this policy is 20, so although the desire for separate single plots will not be met a proportion of new self-build homes will be located on smaller sites.