



Inspector's Report on the South Worcestershire Development Plan

At the start of October 2013, the Examination in Public began into the South Worcestershire Development Plan. The submission version of the SWDP outlined the strategic housing, employment and retail growth requirements for Worcester City Council, Malvern Hills District Council and Wychavon District Council up to 2031. Alongside this, the SWDP identified the specific sites that the three Local Authorities considered appropriate for development.

Rather than seeking to examine the entirety of the SWDP, the Government appointed Inspector opted to undertake the examination in two parts; with this first stage focusing solely on the strategic growth figures for housing, employment and retail. Once satisfied with the overall levels of growth, the Inspector intends to undertake a further Examination in Public to analyse the site specific policies.

However on 30th October 2013, the Inspector's interim conclusions into the examination of the overall growth figures were made publically available. While noting that the employment figures were sound and a revision was necessary to retail figures, significant concern was raised over the housing growth strategy. The remainder of this bulletin outlines the Inspector's areas of concern.

Inspector's conclusion of the SWDP's housing figures:

The SWDP proposed an overall housing growth target of 23,200 over a plan period of 2006 – 2030; with the three Council's considering that this figure represented the full, objectively assessed housing needs across the Plan area. The growth figure was derived from the SWDP's Strategic Housing Market Assessment (SHMA); however the Inspector has concluded that the SHMA had *“three fundamental shortcomings”*.

1. The SHMA did not use official population or household statistics but rather it sought to calibrate household representative rates with Council Tax records. The Inspector concluded that this *“adjustment introduces a degree of inconsistency into the household projection process”*.
2. The SHMA was also interlinked with an economic forecasting model which the Inspector had concerns over. These concerns were based on the economic forecasting model focusing on a public sector austerity scenario but such a scenario had not been revisited in light of actual spending cuts. Alongside this, the economic forecast could not provide evidence to justify the significant drop-off in agricultural employment.
3. The overall housing figure relied on an increase in older people's economic participation and thus decreasing the need for in-migration to fill gaps in the employment market and thus impacting upon the need for more homes. The Inspector concluded that there was a lack of *“convincing evidence to support”* the Council's assumptions in this regard.

In his conclusions, the Inspector has requested that the Councils undertake further analysis to derive an objective assessment of housing need over the Plan period. However the Inspector did state that *“it appears from the evidence before me so far that the objectively-assessed housing need figure for the Plan period is likely to be **substantially higher** than the 23,200 figure identified in the submitted Plan”* (RCA Regeneration emphasis).

Alongside the above, the Inspector noted that the submission version of the SWDP will lead to over 2,000 affordable homes being undelivered during the plan period. However the Inspector concluded that *“The recalculation of the assessment of housing need which I am asking the SWCs to carry out is likely to lead to an increase in the Plan’s overall housing requirement”*. This in turn will positively contribute to the opportunities to deliver an increase in affordable housing across the plan area.

The Inspector also disagreed with the SWDP’s proposed lapse rate in planning permissions, which itself is a key component in housing need calculations. The three Councils had argued that a 4% lapse rate was the appropriate figure despite contradictory findings from a number of planning appeals. The Inspector concluded that based on the evidence submitted to, and presented at the Examination in Public, the figure should be increased to 5%

The Inspector’s findings will have significant impacts upon planning and development across the three Council’s administrative areas; not least in effecting each Council’s ability to demonstrate a 5 year housing land supply as required under the National Planning Policy Framework.

The Inspector’s conclusions are also likely to have far-reaching implications for the adoption of the SWDP. With the Local Authorities needing to undertake further analysis to produce a robust and objectively assessed housing target, it is anticipated that the SWDP will face a significant delay before it finally becomes the statutory development plan for south Worcestershire.

As RCA Regeneration has led on a number of significant planning applications across the SWDP plan area as well as presenting at the Examination in Public, we are well placed to advise landowners and developers alike about how the Inspector’s conclusions provide significant opportunities to bring forward new developments.

Should you require any further information on the SWDP Examination or the position of other Local Authorities in their plan preparation process then please feel free to give us a call, pop in for a chat or visit www.rcaregeneration.co.uk

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