Wyre Forest District Core Strategy DPD

Matter 8

Creating a Desirable Place to Live

Policies DS01, DS05 and CP04-07
Question 1
What are the implications of the new Government’s recent announced changes in respect of:

(A) Abolition of Regional Spatial Strategies?

1A.1 The Leader and Chief Executive of the District Council wrote to the examining Inspector on 4th June 2010 to confirm the Council’s position in relation to the Secretary of State for Communities and Local Government’s correspondence on the Abolition of Regional Spatial Strategies (ED13). The letter confirms that the Council is satisfied that the 4,000 homes requirement for the Wyre Forest District as put forward by the Panel presiding over the WMRSS Phase 2 Review Examination In Public (EB02), can be sustainably accommodated as part of a programme of regeneration involving previously developed land. The Council’s position is guided by two crucial over-riding imperatives for the District’s future, namely the urgent need to provide affordable housing and the delivery of economic regeneration.

1A.2 The Strategic Housing Land Availability Assessment (SHLAA) (EB10) and Residential Land Availability Reports (Oct 2009) (Apr 2010) (EB09/ED21), clearly demonstrate that this amount of residential development can be delivered on brownfield sites within the plan period.

1A.3 With regard to the provision of additional pitches for Gypsies and Travellers within the District, the Council does have some concerns over the process that was followed for the WMRSS Phase 3 Review. The Council submitted representations on the Regional Interim Policy Statement on the Provision of New Accommodation for Gypsies, Travellers and Travelling Showpeople (EB06) in February 2010, which related to the validity of the increased level of pitch provision to 42 pitches within the Wyre Forest District. It is therefore considered that this issue should be examined in more detail at the hearing sessions relating to Matter 11 (CP06) on Tuesday 27th July.

B) Policy changes to PPS3 in relation to Previously Developed Land (PDL) and ‘garden grabbing’?

1B.1 PPS3: Housing Annex B (NP2) now excludes land in built up areas such as private residential gardens from the definition of Previously Developed Land (PDL). The Council does not consider that this recent amendment to PPS3 will have any adverse implications to the delivery of future residential development within the District.
1B.2 The Strategic Housing Land Availability Assessment (SHLAA) (EB10) does not include potential sites for residential development that would fall within the definition of a private residential garden. Furthermore, it is considered that within the District there are a substantial number of large brownfield sites such as the Churchfields site in Kidderminster and the former Parsons Chain site in Stourport-on-Severn that will help to deliver the 4,000 dwellings throughout the plan period.

C) Policy change to PPS3 in relation to removal of the minimum residential density benchmark for housing land estimates?

1C.1 PPS 3 Housing (Paragraphs 46-47) (NP2) has recently been revised to remove the requirement for a minimum residential density of 30 dwellings per hectare. Instead it specifies that Local Planning Authorities may wish to set out a range of densities across the plan area rather than one broad density range. Generally speaking, the policy therefore indicates a shift away from higher density developments that could impact on the character of the area.

1C.2 The Strategic Housing Land Availability Assessment (SHLAA) (EB10) included indicative density figures for potential residential sites based on those densities set out in the Adopted Local Plan (ED27). Paragraph 3.19 of the SHLAA specifies that density estimates were informed by site survey information such as the site’s characteristics, physical constraints and surrounding land uses. It is therefore considered that the evidence base in relation to the delivery of housing numbers is not unduly reliant on higher density developments.

1C.3 Policy CPO5 of the Submission Core Strategy (SD01) does specify minimum density requirements as an indicative guide. However, it clearly states that there may be circumstances where applying these minimum density requirements will not be appropriate due to the character and surroundings of the proposed site. Furthermore, paragraph 7.16 of the accompanying reasoned justification states that care needs to be taken to safeguard and enhance the local character of the District’s residential areas. For this reason, the densities set out in the Core Policy are intended as an indicative guide and applicants will need to consider local character carefully in their accompanying Design and Access Statements.
1C.4 The Council considers that given the recent amendments to PPS3: Housing, additional minor amendments could be made to Policy CP05 as follows:

- CP05: Density of New Housing Development – delete the word “minimum”
- Paragraph 7.15 – delete the words “national planning guidance”

**Question 2**

Will these policies deliver the amount of housing required to meet the RSS requirements?

2.1 Policy DS01 specifies the number of net additional dwellings that are to be accommodated within the District during the plan period to 2026 at 4,000 units. This amount has been guided by the figures specified in the West Midlands Regional Spatial Strategy (WMRSS) Panel Report (September 2009) (EB02). The phasing mechanisms for delivering this level of residential development within the District are set out within Policy DS05. A five year supply of sites will be maintained and the policy sets out average annual net additions of dwellings within the District across the 5 year phasing periods.

2.2 The Core Strategy’s Monitoring and Implementation Framework includes a housing trajectory which is updated on an annual basis to inform the Annual Monitoring Report. The trajectory has been updated to reflect the position as of 1st April 2010. This takes into account the net housing completions during 2009/10 together with new residential permissions. It is projected that the target figure of 4,000 dwellings can be provided within the plan period.

2.3 Contingency planning will form an important element in ensuring delivery. If the annual review demonstrates that the overall level of housing completions is cumulatively 20% below or above the annual target within the 5 year period then the Council will bring forward or put back further site allocations within the five year phasing periods accordingly.

2.4 Table 5.2 in the accompanying reasoned justification to the policy sets out the evidence provided through the Strategic Housing Land Availability Assessment (SHLAA) (EB10) process relating to the level of housing development that could be delivered within each 5 year phasing period by location. This demonstrated that higher
numbers of dwellings will be constructed during the first ten years of the plan period, with numbers reducing during the last 5 year period from 2021-26.

2.5 It is important to note that the trajectory assessment includes no windfall allowance for the reasons set out at paragraph 5.63 of the reasoned justification to Policy DS05, although historically windfall development has been high within the District.

2.6 Policies CP04-07 focus on the more specific policy areas relating to housing need and shaping local communities. These policies reflect the need that has been evidenced through the South Housing Market Area Assessment (SHMA) (EB31); the Gypsy and Traveller Accommodation Assessment (EB33) and the Research into the Housing and Support Needs of Older People within Worcestershire (EB32), to provide housing to meet the needs of different social groups within the District.

**Question 3**

**Will the right amount of housing be provided in appropriate sustainable locations?**

3.1 Policy DS01 sets out the settlement hierarchy for the District. This will focus new development in sustainable locations with greater access to local services and employment opportunities. It will also ensure that new development contributes to the District’s regeneration priorities and reduces the need to travel. Table 5.1 of the Policy’s reasoned justification shows the indicative location of future residential development. This places the greatest emphasis on the District’s Strategic Centre with 60% targeted for Kidderminster, 30% to the large market town of Stourport-on-Severn and 10% to meet local housing needs within Bewdley and the rural settlements.

3.2 The reasoned justification to Policy DS05 clearly sets out the anticipated level of housing delivery that could occur within the District’s settlements over the plan period. Based on the evidence provided through the Strategic Housing Land Availability Assessment (SHLAA) (EB10) it is clearly demonstrated that the required level of housing can be accommodated in the majority on brownfield sites within the main urban areas of Kidderminster and Stourport-on-Severn. Smaller amounts of housing development to meet local housing needs can be accommodated within Bewdley and the smaller rural settlements.
**Question 4**

**How have the Needs Assessments shaped the policy – SHMA etc?**

4.1 The Evidence Base includes a number of key documents relating to local housing needs assessments. The following documents have shaped the policies relating to housing:

- Policy CP04 has been informed by the Strategic Housing Market Assessment for the South Housing Market Area of the West Midlands Region (2007) (EB31); South Housing Market Assessment Monitoring 2008/09 (April 2010) (ED60) and the Parish Housing Needs Surveys for Upper Arley, Rock, Chaddesley Corbett, Wolverley, Cookley, Stone and Blakedown.

- Policy CP05 has been informed by Research into the Housing and Support Needs of Older People within Worcestershire (EB32) and EB31 as above

- Policy CP06 has been informed by the Gypsy and Traveller Accommodation Assessment for the SHMA (2008) (EB33) and the West Midlands RSS Interim Policy Statement on the Provision of New Accommodation for Gypsies, Travellers and Travelling Showpeople (EB06)

**Question 5**

**How was the distribution of housing numbers generated and is it appropriate (SHLAA) etc?**

5.1 The distribution of housing numbers was generated by taking into account the availability of suitable sites, together with the need to promote the regeneration of Kidderminster and Stourport-on-Severn. Both the Regional Urban Capacity Study (ED 37 & ED38) and the Strategic Housing Land Availability Assessment (EB10) have looked at potential housing sites. The studies concluded that housing development could be accommodated on Brownfield sites with 60% of development occurring in Kidderminster, 30% in Stourport-on-Severn and the remaining 10% in Bewdley and the rural areas. Since April 2006, 57% of completions have been in Kidderminster and 26% in Stourport-on-Severn. The Kidderminster Central Area Action Plan and the Site Allocations and Policies DPDs will set out how the sites will be phased and released for development in order to help with the regeneration of Kidderminster and Stourport-on-Severn throughout the plan period.
**Question 6**

How does the policy respond to the need to ensure adequate housing land supply over 5, 10 and 15 years?

6.1 The Council considers that Policy DS05 provides the mechanism for delivering an adequate housing supply over 5, 10 and 15 years. Existing residential commitments, i.e. those sites with outline, full or reserved matters permission, equate to 1,100 dwellings - a 5.5 year supply. Taken together with other sites which are known to be deliverable within 2011/2016, the Council considers that there is an adequate supply of housing land as per PPS3: Housing (NP2) (paragraphs 53-57). Other sites are considered to be available for development post 2016. No broad locations for housing development have been identified as it was possible to identify specific sites for years 11-15 of the plan period.

6.2 The housing trajectory has recently been updated as part of the Strategic Housing Land Availability Assessment (SHLAA) 2010 Update (ED39). This has taken into account changes in the availability of certain sites and included some new sites which may now become available later on in the plan period. The trajectory shows that a continuous supply of housing sites is available over the plan period. As circumstances change, new sites can be added in or sites removed. The trajectory will continue to be rolled forward at the start of each financial year.

**Question 7**

Would the policy deliver an acceptable Brownfield/Greenfield mix of new housing land? How will other aspects of housing mix (e.g. Size and age groups, specialist provision) be managed?

7.1 Policy DS01 specifies a sequential approach to new development which focuses on brownfield land. It is considered that this is consistent with guidance set out in paragraphs 40-44 of PPS3, Housing (NP2), which places an emphasis on the re-use of previously developed land. The overarching development strategy for the District focuses all new development towards brownfield land.

7.2 The evidence base (Wyre Forest District Strategic Housing Land Availability Assessment (SHLAA) (EB10) and July 2010 update (ED39) demonstrates that there are a significant number of brownfield sites available to meet the District’s development requirements to 2026. For this reason, the Strategy does not propose that any new housing will be targeted towards Greenfield land. Due to the availability
of urban brownfield sites it is considered that proposals for Greenfield development would run contrary to the Core Strategy’s central development strategy of urban regeneration.

7.3 The Viability Assessment of SHLAA Sites (November 2009) and subsequent Addendum (March 2010) (EB17/18) considered the additional costs likely to be associated with Brownfield sites at a strategic level (as set out in paragraphs 2.30-2.33 of the main November 2009 report). The findings indicate that Brownfield sites would be deliverable subject to site specific costs/issues such as land assembly, landowner aspirations and relocation costs, as identified at paragraphs 2.2, 2.21 and 4.6 of the main November 2009 report.

7.4 Policy CP05 provides the basis for considering dwelling type, density and mix to meet the needs of local communities. This policy places an emphasis on the need for new developments to take account of the District’s housing needs as set out in the Strategic Housing Market Assessments. Currently it focuses on the need for more affordable 2 and 4 bedroomed houses to meet the needs of families. However as a result of the Statement of Common Ground between the Council and Pegasus Planning (SCG3/4) a minor amendment is proposed to the reasoned justification to place emphasis on changing needs for different housing types in the future. Through the Monitoring and Implementation Framework and contingency planning, this will enable the Council to regularly reassess the need for particular housing types through the Housing Market Area Assessment (HMA) process. If differing needs are evidenced through updated HMAs, then Policy CP05 can be amended as appropriate in the future to reflect any emerging increasing needs for a particular house type.

7.5 Policy CP05 also addresses the need to support specialist housing schemes to address the needs of older and more vulnerable people within the District. It places an emphasis on such schemes being located in sustainable locations with good access to services and recognises the importance of Lifetime Homes Standards.
**Question 8**

How will the overall new housing supply be managed in terms of the phased targets?

8.1 Housing supply is monitored 3 times a year through the Residential Land Availability Reports which are published in April, October and January. This allows a detailed analysis to be made of both housing completions and changes in the residential land supply. The number of lapses and renewals is also monitored. The monitoring framework in the Core Strategy builds in flexibility so that if the number of completions varies by more than 20% from the target set for the 5 year phasing period, sites can either be brought forward sooner (to allow for a shortfall) or pushed back to later in the plan period (if there is an over supply of sites with permission).

8.2 The housing trajectory has recently been updated to take account of both completions during the past year and residential permissions granted during 2009/10 (ED39). Lapses in permission as well as renewals have been fed into the trajectory model. Any new sites with housing potential have also been fed into the model.

**Question 9**

Has the recent economic context been considered/modelled? Will it affect viability in the short/medium term?

9.1 The impact of the economic downturn was considerable across the South Housing Market Area during 2008/09. There were significant falls in house prices and the number of house sales, as demonstrated within Sections 4 and 5 of the GVA Grimley Local Residential Property Market Review (October 2009) (CD61) . The number of housing completions during 2009/10 was the lowest since 2000/01. However, the supply of sites with planning permission for residential development has remained reasonably stable since April 2006 apart from a 25% increase seen at April 2008.

9.2 The main impact of the economic downturn has been the higher than expected number of permissions being renewed and the low number of new permissions. The number of new sites added to the residential land availability database during the last 2 years has been almost half that added during 2007/08. However, this is tempered by the fact that the District has a 5.5 year supply of housing land and has been delivering above the average 200 homes per year required since 2006. (ED21)
9.3 The value/revenue assumptions adopted by the Viability Assessment of Strategic Housing Land Availability Assessment (SHLAA) Sites (November 2009) and subsequent Addendum (March 2010) (EB17/18), are based upon the market evidence researched and assessed in the Local Residential Property Market Review (October 2009) (CD61). GVA Grimley undertook extensive research of residential development in the District to ascertain the type and size of each dwelling, asking prices and where appropriate sales values. The output of this report was an average sales value per square foot (per square metre) which was then applied to the dwelling mix and floor space assumptions as set out in Appendix 5 of the Viability Assessment of SHLAA Sites.

9.4 The report utilised a range of sales values in accordance with the findings of the Local Residential Property Market Review (October 2009), adjusted as required by the Halifax House Price Index for new homes in the West Midlands. This approach ensured that the sales revenues adopted in the development viability appraisals reflected the current market conditions as they were in November 2009. In this respect, the Council believes that the Viability Assessment is robust, and reflects the prevailing market conditions (as at November 2009). The Council is also aware that market values will change over the plan period, and hence, have ensured that affordable housing policy is flexible to cater for changing market conditions over time. In addition, the Council intends to appoint consultants to advise them on formulating a standardised viability model to guide developer’s assessments of viability issues in the future as market conditions change.

**Question 10**

*What implications does this have for delivery of planned dwelling numbers and funding/phasing of infrastructure and housing schemes themselves?*

10.1 A number of schemes with planning permission have not been completed as originally predicted (ED21). However, these have three year permissions and are likely to be completed slightly later in the plan period. This could therefore impact on the phasing of schemes earlier on in the plan period.

10.2 The Viability Assessment of Strategic Housing Land Availability Assessment Sites (Nov 2009) and its addendum (March 2010) (EB17/18) examined the impact of emerging planning policy on the viability of a sample of potential residential development sites throughout the District. The assessment had regard to affordable
housing and other planning obligations/infrastructure requirements, such as education provision, transport infrastructure and public open space. It also took account of potential site constraints such as contamination. The Viability Assessment demonstrated that the majority of the sample of residential sites would be potentially viable at a requirement for 30% affordable housing provision (subject to the issues set out at paragraphs 2.2, 2.21 and 4.6 of the Viability Assessment).

10.3 The Residential Land Update (ED21) demonstrates that the District has a 5.5 year supply of residential land available for delivery. Furthermore, the updated housing trajectory does not take account of a windfall allowance. Historically, windfalls have made a significant contribution to the delivery of residential development within the District.

**Question 11**

How will the policy be monitored and the trajectory be managed to achieve delivery and is the monitoring framework sufficiently robust and flexible?

11.1 The phasing and monitoring arrangements are set out within the context of Policy DS05. This places an emphasis on the housing trajectory being updated every year as part of the Annual Monitoring Report process. The housing trajectory has recently been revised as part of the 2010 Strategic Housing Land Availability Assessment (SHLAA) update report (ED39). This takes into account the net housing completions during 2009/10 and also reflects changes to the housing supply. At April 1st 2010 there was planning permission in place for just over 1,100 dwellings which equates to 5.5 years supply. The projected increase in housing completions during the 2nd 5-year phase reflects this situation.

11.2 The Monitoring and Implementation Framework sets out how this policy will be monitored. If the target completions differ by more than 20% across any 5 year phasing period, sites will either be brought forward sooner, or slipped back accordingly.