

# Malvern Hills District Council

## Five Year Housing Land Supply Position Statement: 21st November 2013

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### 1. Background

- 1.1. This Position Statement updates Malvern Hills District Council's five year housing land supply position at November 2013. It supersedes the earlier Interim and Position Statements of June 2013 and August 2013.
- 1.2. The Council is required by national policy to maintain a five year supply of deliverable sites for housing to meet its housing requirements, as set out in the National Planning Policy Framework (NPPF paragraphs 47 and 48).

### 2. Methodology; Target and Supply

- 2.1. In order to measure the five year supply, the Council needs to first establish a requirement or "target" for the number of dwellings. This target would normally be set out in an adopted Local Plan and be set over the whole plan period. From this plan period target, a five year requirement can be obtained, normally by annualising the target and multiplying this by 5. A further 5% 'buffer' is then added to the five year target as required by the NPPF (para 47).
- 2.2. Account needs to be taken of the number of dwellings completed since the start of the plan period to see if there has been any under or over-supply and this is then added to or deducted from the housing target (the Sedgefield approach - based on previous yearly completions set against the annualised requirement per year).
- 2.3. Once the target is established, the likely supply of new dwellings over the five year period is calculated, having regard to:
  - Extant planning permissions
  - Dwellings under construction
  - Lapse rates (permissions expiring)
  - Windfall allowance/trends
  - Other deliverable sites, such as proposed SWDP sites subject to paid pre-application discussions or planning applications
- 2.4. All supply components were calculated at 1st April 2013 for the 2013 Housing Land Supply Monitor, except for the compilation of the SWDP sites list, which has been updated to 31st October 2013 (see Appendix 1 of this Position Statement).

### 3. The Calculation

- 3.1. Table 1 shows the five year housing land supply calculations at November 2013.

- 3.2. In the absence of an adopted Local Plan target, the supply is shown against two measures. These are:
- 1) The West Midlands Regional Spatial Strategy (WMRSS) Phase 2 Revision Panel Report which sets a requirement for the period 2006-2026 i.e. over 20 years;
  - 2) The DCLG 2008-based Sub-National Household Projections. These have no plan target period but have been apportioned to match the proposed plan period of the emerging SWDP 2006-2030 i.e. 24 years.
- 3.3. These targets have been used in the light of appeal precedent, including two recent appeal decisions in the district.<sup>1</sup> The DCLG target is preferred as it reflects more up to date household projections than the WMRSS Panel Report. The figure for the older Panel Report is 'plan on' and is for the Malvern Hills sub-area that excludes that part of the district within wider Worcester (as now defined in the SWDP),; whereas the DCLG district-wide figure is entirely 'plan off' and applies to the whole of the district. However, these show a very similar five year land supply position, of 3.51 years and 3.36 years respectively, albeit with a difference of four years in the plan period timescales.
- 3.4. A key difference in the two calculations is the inclusion of a proportion of the Wider Worcester Area urban extensions in the DCLG 2008-based Sub National Household Projections calculation. The accompanying footnotes of the five year supply table explain this difference. The footnotes also explain how the target was derived from the 2008 Household Projections data.
- 3.5. At the present time and in view of the SWDP Examination Inspector's Interim Conclusion of 28 October 2013, the Council is unable to give sufficient weight to the housing requirements within the emerging South Worcestershire Development Plan for that to be used as a target and so no calculation is given against that figure.
- 3.6. The assumptions about the level of windfall allowance and the lapse rate are explained within the table and in footnotes and in the Council's Housing Land Supply Monitor (HLSM) August 2013.

#### 4. Conclusion

- 4.1. Against the DCLG 2008-based Sub-National Household Projections, the Council can demonstrate **3.36 years supply of housing land**, at November 2013. The position will be updated following the outcome of Stage 1 of the SWDP Hearing Sessions in Spring 2014 or earlier should national policy, appeal precedent or legal judgments indicate change of stance or should the supply position reach the preferred five year requirement.

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<sup>1</sup> APP/J1860/A/13/2194904 Land at Mistletoe Row, Tenbury - 13<sup>th</sup> August 2013 and APP/J1860/A/13/2192810 Land at Walshes Farm 18<sup>th</sup> October 2013

**Table 1 Indicative Five Year Housing Land Supply Calculations 2013-2018**

Indicative Five Year Housing Land Supply Update (2013 – 2018) as at 1 <sup>st</sup> April 2013	WM RSS Panel Report 2006 – 2026 (20 Years) 'Sedgefield' Method	DCLG 2008- Based Sub National Household Projections (Incorporated into SWDP Plan Period 2006-2030 – 24 Years)
Plan Period Target	<u>5,000</u> (250 per annum)	2006 = 31,000 2030 = 38,300 <sup>i</sup> 38,300 – 31,000 = 7,300 + 3.4% Vacancy Rate (248) <sup>ii</sup> + 1.2% Second Homes (88) <sup>iii</sup> = <u>7,636</u> (318 per annum)
Net Completions to Date	1,502	1,502
Residual Target	3,498	6,134
Over/Under Supply	248 under supply	724 under supply
Five Year Target +5%	<u>1,573</u> (250 x 5 + 248 + 5% (75)) <u>315 per annum</u>	<u>2,428</u> (318 x 5 + 724 + 5% (114)) <u>486 per annum</u>
<i>Commitments – Outstanding</i> <sup>iv</sup>	<i>345 (This includes an 8% lapse rate – lapse rate not applied to any adopted local plan sites with planning permission)</i>	<i>345 (This includes an 8% lapse rate – lapse rate not applied to any adopted local plan sites with planning permission)</i>
<i>Commitments - Under Construction</i>	103	103
<i>Commitments - Total (Outstanding and Under Construction)</i>	448 (345 + 103)	448 (345 + 103)
Local Plan Sites (H4 and H10)	21	21
Windfall Allowance (Brownfield) Net <sup>v</sup>	102 (34 per annum for current 5 year period – 3 out of 5 years)	102 (34 per annum for current 5 year period – 3 out of 5 years)
Proposed SWDP Site Allocations <sup>vi</sup>	476	476
Phase 7 Malvern Vale <sup>vii</sup>	58	58
Proportion of the Wider Worcester Area Urban Extensions <sup>viii</sup>	n/a	527
<b>Total Supply</b>	<b>1,105</b>	<b>1,632</b> <sup>ix</sup>
Balance (+ 5%)	-468	-796
Years supply (+ 5%)	<b>3.51 years</b>	<b>3.36 years</b>

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<sup>i</sup> Based on published information on 2008 Household Projections (2008-2030) CD(069) Worcestershire Demographic Report 2011 ([http://www.swdevelopmentplan.org/wp-content/uploads/2012/02/2011-01-17\\_Worcs\\_Demographic\\_report\\_S\\_Worcs\\_appendix.pdf](http://www.swdevelopmentplan.org/wp-content/uploads/2012/02/2011-01-17_Worcs_Demographic_report_S_Worcs_appendix.pdf)) 2006 baseline figure is taken from DCLG 2008-based Sub National Household Projections spreadsheet. The DCLG 2008-based Sub National Household Projections has been applied to the SWDP Plan Period (24 years). 38,300 dwellings for 2030 is an estimate as there is no published projected figure for that year. It should be noted that this dwelling requirement excludes the strategic redistribution methodology factored in as part of the Wider Worcester Area growth in the SWDP, because this strategy has not yet been adopted.

<sup>ii</sup> Vacancy data derived from DCLG Live Tables on dwelling stock Table 615: vacant dwellings by local authority district: England, from 2004 (Oct 2012 data used). Percentages are calculated from the total dwelling stock as at October 2012 (33,939 dwellings).

<sup>iii</sup> Second Homes data derived from DCLG calculation of Council Tax Base for Formula Grant Purposes (October 2012). Percentages are calculated from the total dwelling stock as at October 2012 (33,939 dwellings).

<sup>iv</sup> Lapse rate percentage is taken from the most recent Malvern Hills Housing Land Supply Monitor (August 2013).

<sup>v</sup> Windfall Allowance calculation is taken from the latest Malvern Hills Housing Land Supply Monitor (August 2013 and November 2013 Appendix 'C' update).

<sup>vi</sup> Select Site Allocations in the SWDP that either have planning permission post-31<sup>st</sup> March 2013, are at the planning application stage, or are at the pre-application stage (sites included monitored up to 31<sup>st</sup> October 2013). See Appendix 1 of this Position Statement for the list of sites included.

<sup>vii</sup> Additional residential phase granted planning permission on 10<sup>th</sup> April 2013 for 58 dwellings (12/01240/FUL). This permission would take the total number of dwellings on the North Site up to 548 if the maximum number approved were built out (490 from the outline permission plus the 58 on phase 7).

<sup>viii</sup> It is anticipated that **527 dwellings** can be delivered over the five year period (2013-2018). This consists of 325 dwellings, derived from the Worcester South planning application 'Implementation Statement' phasing assumptions. The statement estimates that Phase 1 (487 dwellings) will be delivered between 2015 – 2018. The latter two build out years have been included in MHDC's calculations above, i.e. two-thirds of the estimation). Additionally, it is estimated that 202 dwellings can be supplied through the Worcester West site in the five year period. This is based on the current planning application for 800 homes, although some lie outside of the SWDP allocation. As a comparison, the Malvern Vale (North Site) development was built out at a rate of 67.5 dwellings per year based on 405 completions between 2007 – 2013. This figure multiplied by 3 years gives 202. It is reasonable to compare the two sites in terms of scale and infrastructure requirements and is considered to be a cautionary approach in terms of the build out rate.

<sup>ix</sup> The proposed Wider Worcester Area urban extensions within MHDC's boundary is a strategic policy approach primarily based on meeting the needs of growth at Worcester City. Given that the 2008 household projections do not factor in the SWDP's strategic redistribution method of accommodating growth through the urban extensions, it is considered acceptable to include an element of the WWA extensions that are currently coming forward as planning applications within MHDC and can be considered to be partly deliverable within five years. The WMRSS Panel Report figure excludes Worcester related growth.

**APPENDIX 1: List of Proposed SWDP Site Allocations Included in the Five Year Housing Land Supply Position Statement 21/11/13**

SWDP Site Ref	Address	Proposal	Application Ref <sup>1</sup>	App Date	Pre-app or Planning App?	Indicative Number of Dwellings Planning App/Pre-App	Indicative Number of Dwellings in SWDP	Decision/ Status	Dwellings counted in 5 year land supply
SWDP 52/3	Land Adj. Hanley Road and Rothwell Road, Malvern	Residential Development for 43 dwellings	C/13/00314/PA	10/09/2013	Pre-App	43	35	Outstanding	35
SWDP 52/4	Land adj. to The Homestead, Halfkey Road, Malvern	Residential Development for 4 Dwellings	C/13/00076/PA	26/02/2013	Pre-App	4	6	Outstanding	4
SWDP 57/1	Land at Oldwood Road, Tenbury	Erection of 45 Dwellings	12/00659/OUT	03/05/2012	Planning Application (x2)	45	30	Refused 15/03/2013 - Appeal Allowed	45
		Erection of 30 Dwellings	13/00413/OUT	27/03/2013		30		Approved 03/07/2013	0
SWDP 58/1	Land at Sunny Bank Meadow, Holly Green	Erection of 25 Dwellings	13/00706/OUT	03/06/2013	Planning App	25	25	Approved (subject to 106)	25

<sup>1</sup> Sites included monitored up to 31st October 2013.

<b>SWDP 59/2</b>	Land West of Apostle Oak Cottage, Abberley	Erection of 10 Dwellings	-	-	Pre-App	14	<b>10</b>	Outstanding	<b>10</b>
<b>SWDP 59/3</b>	Land at Hope Lane, Clifton Upon Teme	Erection of 30 Dwellings	13/01161/FUL	16/09/2013	Planning App	30	<b>30</b>	Outstanding	<b>30</b>
<b>SWDP59/4</b>	Land North of Worcester Road and West of Great Witley C of E Primary School	Erection of 27 dwellings and new access	12/01412/FUL	12/10/2012	Planning App	27	<b>23</b>	Council Minded to Approve	<b>27</b>
<b>SWDP 59/6</b>	Land at Welland Road, Hanley Swan, Worcs.	Residential Development	C/12/00407/PA	21/11/2012	Pre-App	20	<b>20</b>	Outstanding	<b>20</b>
<b>SWDP 59/8 (Part 1)</b>	Land South of Kempsey adj. to Lawns Nursing Home and including Bights Farm, Kempsey (Part 1)	Residential Development	13/01130/OUT	22/08/2013	Planning App (on part of the allocated site)	80	<b>138</b>	Outstanding	<b>Capped at 138 for both sites</b>
<b>SWDP 59/8 (Part 2)</b>	Land South of Kempsey adj. to Lawns Nursing Home and including Bights Farm, Kempsey (Part 2)	Residential Development	C/13/00234/PA	12/07/2013	Pre-App (on part of the allocated site)	110		Outstanding	

<b>SWDP 59/9</b>	Land to the West of Bell Lane/South of Martley Road	Erection of 48 dwellings	13/00878/FUL	27/06/2013	Pre-App	48	40	Outstanding	40
<b>SWDP 59/12</b>	Land Adj. The Crown, Martley	Erection of 51 Dwellings	13/00087/FUL	11/01/2013	Planning App	51	51	Approved 03/07/2013	51
<b>SWDP 59/13</b>	Land at the Pheasant, Welland	10 Dwellings	-	-	Pre App	10	10	Outstanding	10
<b>SWDP 60/2</b>	Land adjacent to Broadwas School, Broadwas	10 Dwellings	13/01209/FUL	12/09/2013	Planning Application	10	10	Outstanding	10
<b>SWDP 60/6</b>	Land Adj. Claphill Lane, Rushwick	Residential Development	12/00833/FUL	01/06/2012	Planning App (x2)	31	23	Granted on Appeal - 10/06/2013	31
			12/01661/FUL	30/11/2012		28			0
<b>TOTALS<sup>2</sup></b>						<b>548</b>	<b>451</b>		<b>476</b>

<sup>2</sup> In the instances where there is more than one planning application per site, the lowest number has been selected for the purposes of calculating the total (unless there has been a determination or appeal decision for the higher number), except at Rushwick where we understand the 31 scheme is to be implemented.

### Other Large Sites with Planning Permission Included in Five Year Supply Calculation

App Ref	Address	Description	Application Date	Decision Date	Number of Dwellings
12/01240/FUL	North Site (Malvern Vale Phase 7)	Erection of 58 dwelling houses and public open space	06/09/2012	10/04/2013	58
				<b>TOTAL</b>	<b>58<sup>3</sup></b>

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<sup>3</sup> This is in addition to the outline planning permission granted for up to 490 dwellings 04/00182/OUT. Total dwellings on the North Site (Malvern Vale) will reach 548 if all of the planning permissions are built out.