1. Summary

1.1 This paper explains how the Council will test and disaggregate the scale of housing proposed by the Inspector examining the soundness of the draft Wiltshire Core Strategy.

1.2 The submitted draft Wiltshire Core Strategy (hereafter referred to as the Plan) proposes a total of 37,000 new dwellings over the plan period 2006-2026. The Inspector has suggested that housing provision for Wiltshire over the same period should be increased toward the top end of a range which ends at 42,100 homes (letter of 2 December 2013). This scale of housing has already been assessed as part of sustainability appraisal\(^1\) and the likely effects reported. It looked at likely effects for Wiltshire as a whole. The Council in response to the Inspector’s letter has suggested that the requirement of 37,000 homes in the Plan be replaced with 42,000. In order to be consistent with the strategy in the Plan, this requirement needs to be disaggregated at both the Housing Market Area (HMA) and community area level.

1.3 To maintain the integrity of the spatial strategy and current balance of growth in each area the distribution of new housing should accord with the spatial strategy. The starting point of the methodology therefore is that each part of the County should receive a proportionate, pro-rata, increase in the amount of housing it should accommodate. However, it may not be appropriate for every community area to accommodate a pro-rata increase. Whether the level of additional growth is appropriate or not will be tested against three questions:

(i) Is the increased rate of house building unrealistic?
(ii) Are there insurmountable infrastructure barriers to growth?
(iii) Are there insurmountable environmental constraints to allocating the proposed scale of development?

1.4 Each community area and settlement is therefore tested as to whether or not the pro-rata increase is acceptable (Step 1), where areas cannot accommodate this level of growth (Step 2) then the resulting shortfall is redistributed to other settlements and areas on the same pro-rata basis (Step 3). This further increase is tested. The cycle continues until all the housing increase is accounted for.

1.5 Officers in neighbouring authorities will be consulted on the initial outcomes in order to ensure a fit with neighbouring authority strategies as will the statutory agencies (Environment Agency, Highways Agency and Natural England).

\(^1\) Working towards a Core Strategy for Wiltshire, Sustainability Appraisal/Strategic Environmental Assessment, Sustainability Report, June 2012
2. Methodology

2.1 The central principle of the methodology is that the distribution of new housing should accord with the Plan’s spatial strategy. In effect the starting point is that the relative contribution that each settlement and area of the County makes to overall growth remains the same. Each part of the County should therefore receive a proportionate, pro-rata, increase in the amount of housing it should accommodate.

2.2 Of the 42,000 proposed housing requirement, 900 dwellings sit outside this methodology as they have already have consent and been permitted as specific schemes as part of the growth of the Swindon urban area. The approach therefore disaggregates the remainder and amounts to increasing the housing by approximately 12%.

2.3 This approach provides the best prospects for balanced growth as it reflects the relative economic potential of each settlement as already evidenced in studies and assessments made preparing the Plan and set out in the spatial strategy.

Step 1 - ‘Testing proposed scales of development’

2.4 Step 1 is the central part of the process and assesses whether or not each settlement and community area can actually accommodate a pro-rata increase. There are three questions:

- Is the implied rate of house building unrealistic?
- Are there any insurmountable infrastructure barriers that prevent the proposed scale of development?
- Are there insurmountable environmental constraints to allocating the proposed scale of development?

2.5 How each of these questions is answered is set out below, but if the answer to any is ‘yes’, then a community area cannot accommodate a proposed increase to the scale of development. In these circumstances a lower scale of development is determined and evidenced to set a realistically deliverable rate of house building within infrastructure and environmental restrictions.

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2 11.67% rounded to nearest integer
2.6 The process uses existing evidence:

- Past rates of completions;
- Strategic housing land availability assessment\(^3\);
- Previous sustainability appraisal of strategic sites options\(^4\);
- Evidence, comments and representations already made by the Environment
  Agency, Highways Authority, Natural England and English Heritage (the
  ‘statutory agencies’) in the process of preparing the Plan.

*Is the proposed rate of house building unrealistic?*

2.7 The realism of increasing rates of house building is considered in terms of whether
house builders will or will not be capable of building and selling the scale of additional
housing being suggested.

2.8 Past rates of housing (over the period 2006-2013) in each settlement and community
area remainders are compared to the rate implied by the proposed scale of
development. The proposed level of new homes is considered unrealistic if the
implied rate of house building for the remainder of the plan period is being expected
to more than double what has been achieved in recent years. In some areas the
Plan may already propose aspirational rates of increased housing delivery and a
further increase would not result in delivery during the Plan period. In others there
may have been under delivery for a variety of reasons and past rates may not be a
true reflection of what the private sector might otherwise deliver, but more than
doubling rates is the upper limit for what is considered a reasonable ceiling for a
realistic upturn.

*Are there any insurmountable infrastructure barriers that prevent the proposed scale
of development?*

2.9 There may be insurmountable infrastructure barriers to increasing scales of
development in some community areas. Additional development implies a greater
need for infrastructure everywhere. However there may be an essential item of
infrastructure on which additional development in the plan period will depend and it
may be impractical or unrealistic to deliver. The scale of development proposed in
that community area will therefore need to reflect this. In such cases the Council will
identify what infrastructure is so critical, explaining the reasons, why it cannot be
delivered and set the housing requirement in this context.

*Are there insurmountable environmental constraints to allocating the proposed scale
of development?*

2.10 The proposed scale of additional development may have unacceptable
environmental impacts and identifying additional sites will not be possible. The
evidence for this would come from the Council’s SHLAA showing very few realistic

\(^3\) Wiltshire Strategic Housing Land Availability Assessment 2012
\(^4\) Working towards a Core Strategy for Wiltshire, Sustainability Appraisal/Strategic Environmental
Assessment, Sustainability Report, June 2012
acceptable options for further growth, the previous sustainability appraisal of strategic site options showing negative effects indicating further growth may not be possible, and/or statutory agencies like Natural England and the Environment Agency voicing objections. As a consequence the scale of additional development in some community areas will be reduced to reflect such constraints, which will be evidenced and explained.

2.11 The output from Step 1 may produce a subset of community areas ('constrained areas') that cannot achieve the proposed increase in scale of development, which will result in a shortfall. Alternatively, in some settlements\(^5\) and community area remainders there may already be sufficient land in the pipeline to ensure that an increased scale of development can be met, measured by dwellings already built, an estimate of additional dwellings with planning permission and an allowance for 'windfall' development (small unidentified brownfield sites within built up areas\(^6\)); or any additional growth can be accommodated without insurmountable infrastructure or environmental constraints. This would tend to indicate that the increased level of development is acceptable.

**Step 2 - Recording 'constrained' areas**

2.12 This is in effect the output from Step 1. Step 2 aims to evidence, understand and document the particular factor impeding growth in those 'constrained areas' where proposed additional scales of development cannot be accommodated; the realism of the proposal, the lack of adequate infrastructure or a particular environmental constraint. It evidences and provides an explicit statement of the assumptions underpinning the decisions taken.

**Step 3 - Redistribution to other areas**

2.13 The 'shortfall' created by constrained settlements and community area remainders is redistributed to others with potential capacity for growth and represents a further increase in those areas. This additional housing is added on a proportional basis and the revised scales of development are tested again in exactly the same way as the first testing iteration.

2.14 Redistribution retains the broad balance of housing provision between housing market areas and continues the Plan’s ‘bottom up’ approach of considering the potential and constraints of each community area individually.

3. **Output**

3.1 The results will be presented as Housing Market Area requirements and distributed to community area level.

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\(^5\) Principal settlements, market towns and in the South Wiltshire HMA Local Service Centres

\(^6\) Sites less than 5 dwellings or 0.15ha