

Chichester District Council

Local Plan Review

Background Paper

Housing



1.Introduction

1.1. This paper provides the context to the Council's approach to the housing components of the Regulation 18 Chichester Local Plan Review – Preferred Approach and demonstrates how the plan area's objectively assessed housing needs can be delivered through the distribution of development proposed in the Local Plan Review. It provides information on:

- The national, regional and local policy context;
- The housing requirement within the Plan and how it has been determined;
- Specific housing needs; and
- The identified housing land supply and trajectory;

1.2. This housing background paper will be reviewed and updated alongside the ongoing preparation of the Local Plan.

2. Policy Context

National policy context

Housing White Paper

- 2.1. In February 2017, the government published a Housing White Paper 'Fixing our broken housing market' which set out their plans to reform the housing market and boost the supply of new homes in England. It proposed measures to diversify the housing market, ensure that the right homes were built in the right places and increase the rates of house building.
- 2.2. Both the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG) set out the government's national policies and guidance on aspects of planning in England and have been recently updated to incorporate some of the provisions of the Housing White Paper. This includes policies and guidance in relation to how local planning authorities undertake assessments of both market and affordable housing needs within their areas. The NPPF (paragraph 8) for plan-making, states that local planning authorities should have a clear understanding of housing needs in their area.
- 2.3. Para 61 of the NPPF sets out that "the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies". In terms of the different groups, the NPPF refers to those who require affordable housing, families with children, older people, students, people with disabilities, service facilities, travellers, people who rent their homes, and people wishing to commission or build their own homes. Para 62 goes further to set out the level of detail expected within planning policies for affordable housing need.
- 2.4. The NPPF (para 73) sets out that strategic policies within local plans should include a trajectory to illustrate the expected rate of housing delivery over the plan period. It also identifies the requirement for LPAs to identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their housing requirement, including a buffer of either 5%, 10% or 20% where necessary.
- 2.5. The Planning Practice Guidance (PPG) provides more detailed guidance on the methodology behind objectively assessing and evidencing development needs for housing (both market and affordable) and the Housing and Economic Land Availability Assessment (HELAA).
- 2.6. The guidance sets out that an assessment of need should be realistic and based on future scenarios that could reasonably be expected to occur. It outlines that estimating future need is not an exact science but that the starting point should be

the latest household and population projections. However, it goes on to say that upward adjustments should be made where other relevant factors, such as market signals, point to the supply side having been constrained, or to improve affordability.

- 2.7. Local Planning Authorities are required to ensure that their local plans meet the development needs of their area as far as this is consistent with the policies set out in the National Planning Policy Framework (NPPF).

Self build and custom housebuilding

- 2.8. The Self-build and Custom Housebuilding Act 2015 requires local authorities to maintain a register of people looking to purchase land to build or commission their own home. Subsequently, the Housing and Planning Act 2016 requires local authorities to grant sufficient planning permissions for serviced plots of land to meet the demand for self-build and custom housebuilding in their area. The provisions of the Act are supplemented by further details being provided in the 'Self-build and Custom Housebuilding Regulations 2016' and 'Self-build and Custom Housebuilding (Time for Compliance and Fees) Regulations 2016'

Brownfield Register

- 2.9. The Housing and Planning Act 2016 includes a requirement for local authorities to establish and maintain a register of brownfield land. Further regulations in the form of the Brownfield Land Register Regulations 2017 and Permission in Principle Order 2017 set out the criteria for determining inclusion of a site in the Register, what information is required to be included in the Register and the procedures for granting Permission in Principle on certain sites. Chichester District Council's brownfield register can be viewed here: <http://www.chichester.gov.uk/article/29787/Brownfield-land-register>

Gypsy, Travellers, and Travelling Showpeople

- 2.10. The Planning Policy for Traveller sites (August 2015) provides specific policies relating to traveller sites. Strategies that are fair and effective should be prepared by councils to meet needs. This includes a requirement to identify land for sites, planned for over a reasonable timescale, which address the likely permanent and transit site accommodation needs of travelling communities. The policy also states that in producing local plans, councils should:
 - Identify and update annually, a supply of specific deliverable sites sufficient to provide five years' worth of sites against their locally set targets;

- Identify a supply of specific, developable sites or broad locations for growth, for years 6 -10 and, where possible, for years 11 -15.

2.11. The Council, alongside a number of other local authorities in West Sussex, has commissioned an assessment of travelling communities' needs. This can be viewed here: <http://www.chichester.gov.uk/chichesterlocalplan2035>

Sub-regional context

2.12. The Council is a constituent authority of the West Sussex and Greater Brighton Strategic Planning Board which brings local authorities together in the area to facilitate joint work on strategic planning issues, particularly on matters relating to housing provision, infrastructure delivery and balancing competing demands for land. The Local Strategic Statement for Coastal West Sussex and Greater Brighton represents the main vehicle for taking forward this work.

2.13. The second Local Strategic Statement (LSS2) was published in January 2016 and covers the period 2015 to 2031. The Statement acknowledges that it had a limited purpose in providing a strategic planning framework to support the then current round of local plans being prepared. As such, it commits the Strategic Planning Board to undertake a full review. This review is now underway, with the scope of the strategic evidence needing to be prepared recently agreed, prior to the commissioning of the work required.

2.14. The Coast to Capital Local Enterprise Partnership (LEP) is one of 38 local business led partnerships between local authorities and businesses that play a central role in determining local economic priorities and undertaking activities to drive economic growth and the creation of local jobs.

2.15. Coast to Capital has a number of funding, grant and loan opportunities available to private sector and public sector organisations to support business growth in Croydon, East Surrey, Gatwick Diamond, Brighton & Hove, Lewes and West Sussex. Funding comes from the LEP's allocation from the Government's Growth Deal and the European Structural & Investment Fund which both support business growth.

2.16. The Council is currently working with the LEP and other partners on the key regeneration site within Chichester City of the Southern Gateway where LEP funding is currently available to enable early site preparation work to be undertaken. The Council will continue to seek opportunities to work proactively with the LEP and other partners to deliver development opportunities.

Local policy context

- 2.17. The Chichester District Housing Strategy adopted by the Council in September 2013 sets out the aims for the provision of affordable housing. This includes maximising the supply of local homes to meet the needs of local people and ensuring that all new residential development contributes to the supply of homes to meet local needs in terms of size, type and tenure.
- 2.18. The Strategy sets out the requirement to supply a level of housing that meets the needs of local people in the District, which in turn achieves the vision of a sustainable community that is supported by economic success. Key housing priorities to meet the delivery of housing are to:
- Maximise the supply of local homes to meet the needs of local people;
 - Make the most effective use of existing stock, whilst maintaining sustainable communities;
 - Enable local people to find their own solutions; and
 - Provide additional support for those in need.
- 2.19. The Planning Obligations & Affordable Housing Supplementary Planning Document (SPD) was adopted by the Council on 26 January 2016, and took effect from 1 February 2016 at the same time as the CIL Charging Schedule.
- 2.20. As well as providing detailed guidance on how the Council will seek developer contributions, the SPD provides further information on the Council's approach to securing affordable housing as a proportion of open market housing. In particular it confirms the starting point that affordable housing should be provided on site, with off-site provision, or financial contributions in lieu, only likely to be acceptable in very limited circumstances.
- 2.21. On all residential development sites 30% affordable housing contribution will be sought where there is a net increase of 11 or more dwellings. In all areas designated as rural under section 157(1) of the Housing Act 1985. 30% affordable housing will be sought on all developments with a net increase of between 6 and 10 units. This will be taken in the form of a financial contribution towards affordable housing in the District on completion of the development

Neighbourhood plans

- 2.22. Neighbourhood Plans allow local communities to develop a vision and planning policies for their designated areas. The weight to be given to an emerging Neighbourhood Plan will depend on the stage that is reached and the extent to which there are unresolved objections: it gains increasing weight once the

Neighbourhood Plan is published and the level of objection is known. Neighbourhood planning is a way for local communities to shape where and how development should take place. Successful Neighbourhood Plans will form part of the statutory development plan used by Chichester District Council in determining planning applications.

2.23. In preparing the draft Local Plan Review, the Council has worked with parish councils across the plan area to explore the potential for parishes to prepare new, or updated, neighbourhood plans to allocate land for development through neighbourhood planning. Where parish councils have expressed an interest, the draft Local Plan seeks to make appropriate provision.

Duty to Cooperate

2.24. The Localism Act 2011 and NPPF places a legal duty on councils and public bodies to engage constructively, actively and on an ongoing basis to maximise the effectiveness of local plan preparation in the context of strategic cross boundary matters.

2.25. The Council is actively engaged with neighbouring authorities, other local authorities in the wider area and public bodies. This collaboration has informed the preparation of this draft Local Plan Review and will continue to inform its finalisation prior to its submission to the Secretary of State.

3.Housing requirement

Assessing local housing need

- 3.1. As discussed already in section 2, the standard method for assessing local housing need is set out in the PPG. It is expected that local authorities will typically adopt such a methodology, unless there are exceptional circumstances to justify an alternative.
- 3.2. Full details of the methodology are set out in the PPG but in simple terms three steps are identified:
1. Step 1 – identifying the baseline (utilising household growth projections)
 2. Step 2 – an adjustment is made to reflect the affordability of an area
 3. Step 3 – a cap of 40% can, subject to circumstance, be applied to limit the increase in the annual local housing need figure that an individual local authority can face.
- 3.3. The Housing and Economic Development Needs Assessment (HEDNA) provides details of using this calculation to inform the local housing need for the Chichester plan area, albeit acknowledging that the methodology has been designed to apply to district/borough boundaries, rather than those where plan area boundaries don't necessarily correlate. In such instances, the PPG confirms that authorities may continue to identify a housing need figure using a method determined locally, but in doing so will need to consider the best available information on anticipated changes in households as well as local affordability levels (Paragraph: 013 Reference ID: 2a-013-20180913)
- 3.4. The HEDNA was prepared prior to the release of the 2016-based household projections and thus uses 2014-based projections. However given government reservations about the merits of using the latter projections as the basis for meeting its overall national housing targets, the findings of the HEDNA in this regard remain of direct relevance.
- 3.5. The HEDNA sets out the following calculation:

THE BASELINE (Step 1)	517 households per annum	Source: 2014-based household projections for the period 2016-26. Note: this figure applies to the entire Chichester District rather than the Plan Area alone
ADJUSTMENT FOR	+ 51%	Adjustment factor = (12.22

AFFORDABILITY (Step 2a)		(Local affordability ratio) – 4)/4 X 0.25. Note: this adjustment factor applies to the entire Chichester District, not just the Plan Area.
UNCAPPED LOCAL HOUSING FIGURE (Step 2b)	LOCAL NEED 775 dwellings per annum	517 (Step 1) x 51% (Step 2a) Note: this figure applies to the entire Chichester District, not just the Plan Area.
CAPPING INCREASE (Step 3)	THE 609 dwellings	435 (adopted LP requirement per annum) x 40% (cap afforded by PPG) Note: this capped figure applies to the Plan Area, reflecting the geographic coverage of the adopted Local Plan

- 3.6. In the absence of a cap, and using the 2014-based household projections, the local housing need figure utilising the standard methodology for the entire Chichester District (i.e. including that part of the District that falls within the South Downs National Park) could be considered to be 775 dwellings. However, as discussed above, planning practice guidance is clear that, given the particular characteristics and responsibilities of national parks, the standard method should not be used in such instances.
- 3.7. The Chichester plan area has a Local Plan that was adopted within the last five years. Thus the provisions of the planning practice guidance serves to cap the local housing need figure at 40% above the average annual housing requirement as set out in the adopted Local Plan (see Step 3 above). Consequently the local housing need figure for the Chichester plan area is 609 dwellings per annum.
- 3.8. The application of a cap is justified in planning practice guidance on the basis that it serves to ensure that the local housing need figure identified is as deliverable as possible. It is recognised that the cap does not serve to reduce housing need itself but thus encourages councils to consider identified need arising over and above that figure.

Does a higher housing figure above the standard method need to be considered?

3.9. Planning practice guidance identifies that the standard method for assessing local housing need should be considered to represent the minimum starting point in determining the number of homes needed in an area. In some circumstances, there may be justification for considering a higher housing requirement to plan for. The PPG goes on to suggest examples such as where:

- Growth strategies are in place which require a higher rate of housing delivery than recent trends e.g. housing growth deals or strategies arising from LEPs
- Where strategic infrastructure improvements are planned that would support new homes
- Where an authority has agreed to take on unmet need, calculated using the standard method, from neighbouring authorities, as set out in a statement of common ground
- Previous delivery rates have exceeded the housing need now identified
- Recent assessments of needs, such as Strategic Housing Market Assessments, where they suggest higher levels of needs than those proposed by a strategic policy-making authority.

3.10. The Council has taken into account a number of considerations, including those set out above, in identifying a housing requirement for the Local Plan Review. It works closely with partner organisations and authorities to ensure that ambitious strategies are in place to provide for sustainable development in the wider area. This includes working closely with the Coast to Capital Local Economic Partnership in delivering its identified economic priorities as set out in the Coast to Capital Strategic Economic Plan.

3.11. The matter of addressing any currently unidentified unmet needs arising from outside of the Chichester Plan Area is discussed below.

Unmet needs

South Downs National Park

3.12. In February 2018, and during the course of the preparation of its South Downs National Park Local Plan, the South Downs National Park Authority (SDNPA) formally requested that Chichester District Council considered whether it could accommodate some, or all, of the unmet housing need arising from the part of the National Park within Chichester District.

- 3.13. To inform its housing need, a Housing and Economic Development Needs Assessment for the SDNP area has been prepared which suggests a demographic-led housing need requirement for Chichester District of the South Downs National Park of 125 dwellings per annum for the period 2014-2033. The HEDNA uses 2014-based population and household projections. The identified provision made in the submitted South Downs Local Plan is equivalent to 81 dwellings per annum (1,534 dwellings over the period 2014-2033). This leaves a deficit of 44 dwellings per annum.
- 3.14. The SDNPA unmet need is not a figure that has been prepared in accordance with the standard methodology, reflecting the boundaries of the SDNP not fully aligning with local authority boundaries and the recognition in government policy that national parks are not suitable locations for unrestricted housing.
- 3.15. As set out in the subsequently agreed Statement of Common Ground (<https://www.southdowns.gov.uk/wp-content/uploads/2018/04/SCG05-Chichester.pdf>), Chichester District Council agreed to assess its ability to meet some or all of the unmet housing needs arising from the part of the South Downs National Park within Chichester District. Such an approach was considered to be appropriate given the obviously close links between the two areas.
- 3.16. The Local Plan Review has therefore been prepared on the basis of providing for 41 dwellings per annum for the period 2016-2035 to accommodate the majority of the unmet need arising from that part of Chichester District which is located within the South Downs National Park.

Other potential un-met housing needs

- 3.17. Longer term unmet-cross boundary needs will be addressed through the work of the Strategic Planning Board for West Sussex and Greater Brighton through the development of the Local Strategic Statement 3 (LSS3).
- 3.18. To date, no need has been identified through this partnership working which indicates that there is a need to alter the housing provision in the draft Local Plan Review to reflect wider strategies or objectives. The Council is committed to the work of the West Sussex and Greater Brighton Strategic Planning Board in working together to positively plan for longer-term development needs, including the provision of the necessary high quality infrastructure to meet these needs.
- 3.19. The Council can confirm that there have been no other formal requests to accommodate unmet needs arising from outside of the plan area.

3.20. This has led to the Council proposing a draft housing requirement in the emerging Local Plan Review of 650 dwellings per annum, 12,350 dwellings in total for the period 2016-2035.

Comparison with recent delivery rates

3.21. The Council has also considered how the proposed rates of housing provision compare with recent rates of delivery. Table 1 below illustrates that since 2012 (the start of the adopted Local Plan), there has been an average of 394 dwellings completed per annum within the Chichester plan area. This contrasts with an identified housing requirement of 435 dwellings per annum.

3.22. In considering recent completion rates, it is important to note that the current Local Plan was only adopted in 2015. It was thus only at this point that the provisions of that Plan were incorporated into the development plan. From the monitoring year 2015/16 onwards, annual completions have exceeded the annualised housing requirement. This could be interpreted as reflecting an inevitable 'lag' that arises from the provisions of a new Local Plan, including the allocations for development, as these subsequently gained planning permission and discharged other legal and contractual responsibilities.

Table 1 – Net housing completions 1 April 2012 – 31 March 2017

Monitoring year	Adopted Local Plan requirement	Net completions	Cumulative surplus/shortfall
2012/13	435	307	-128
2013/14	435	202	-361
2014/15	435	351	-445
2015/16	435	507	-373
2016/17	435	439	-369
2017/18	435	557	-247
Total 2012-18	2,610	2,363	-247
Average per year	435	394	

Other specific housing needs

Affordable Housing

3.23. The Chichester HEDNA identifies an affordable housing need of 541 households who were on the Council's housing register at the time of its preparation. It also identifies a future need for affordable housing of approximately 285 net dwellings per annum for the entire Chichester District. Table 28 on page 93 of the HEDNA

provides a breakdown of this need across the District, confirming that a net need of 71 affordable dwellings per annum is projected to be generated from within the South Downs National Park. This leaves a projected net affordable housing need of 214 dwellings per annum in the Chichester Plan Area.

- 3.24. In identifying a net need for affordable housing, the HEDNA is clear that is essentially a theoretical need if all households who needed some form of support to meet their housing need were to be allocated an affordable home. This includes existing households who require an alternative type/size of home and would thus release their current homes. Furthermore, there is scope for some of the net affordable housing need to potentially be met through the private rented sector, supported by financial support measures such as Housing Benefit and Universal Credit.
- 3.25. On the basis that there is a clear current and projected future need for affordable housing, it is considered justified for the Council to seek to maximise the delivery of affordable housing on housing development sites, subject to viability considerations. In addition, the Council will also continue to pursue other mechanisms to deliver affordable housing in the plan area, including through exception housing sites.
- 3.26. The Council's current affordable housing target to be provided as an element of otherwise open-market residential development sites is 550 dwellings over a five year period. It is also seeking to deliver a further additional 150 affordable housing units through other delivery mechanisms.
- 3.27. With regards to the tenure mix of affordable housing to be sought, the analysis set out in the HEDNA concludes that 10% of all housing should be affordable home ownership to reflect Government policy. Shared ownership was considered to represent the most affordable form of affordable home ownership for the area. Subject to viability, the Council should also be seeking to provide additional rented housing, with a broadly equal split between social and affordable rented being an option to consider further.

Elderly and specialist accommodation (C2 uses)

- 3.28. Chichester District has a population of people aged 65 or over that as a proportion of the total population (26.7%) is higher than West Sussex (22.5%), South East (18.9%) and England (17.9%). Based on Government population projections, this age group is projected to increase by 47.5% over the plan period, with those between 75-84 projected to increase by 49.7% and those over 85 projected to

increase by 117%. The HEDNA has looked at the need for specialist housing for older people and those with specialist needs such as long term illness.

3.29. Whilst the majority of older people will live in mainstream housing there will be a need for new specialist accommodation provision such as sheltered housing and extra care provision.

3.30. The HEDNA has drawn on data from the Housing Learning and Information Network (Housing LIN), along with demographic projections, to provide an indication of the potential level of additional specialist housing that might be required for older people in the future, although the amount and type of specialist accommodation required will depend on a range of factors including individual choice.

3.31. The Housing LIN toolkit suggests that there should be around 170 units of specialist accommodation per thousand people aged over 75 years. For the plan area, the change in the population aged 75+ would indicate a potential need for around 1,800 units over the period 2016-2036 (92 units per annum), with a broad tenure split of 40% rented (affordable housing) and 60% market housing.

3.32. The HEDNA also identifies that there may also be a requirement for additional Registered Care provision, such as nursing and residential care homes. The demographic modelling indicates an increase of around 970 people living in institutions over the period 2016-2036 (48 per annum).

Travelling Communities

3.33. A Gypsy and Traveller Accommodation Assessment (GTAA) has been carried out in partnership with Adur District Council, Arun District Council and Worthing Borough Councils plus the South Downs National Park.

3.34. This identifies a significant need for future provision over the plan period for households that meet the planning definition of a Gypsy, Traveller or Travelling Showpeople. The identified requirements, for the period 2018-2036 are set out in Table 2 below.

Table 2 – Identified needs for Gypsies, Travellers and Travelling Showpeople 1 April 2018-31 March 2036

	2018-23	2023-28	2028-33	2033-36	Total
Gypsy and Traveller Pitches	66	10	11	7	94
Travelling Showpeople	18	4	4	3	29

Plots					
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Self build and custom housing

3.35. The Self-build and Custom Housebuilding Act 2015 requires each relevant authority to keep a register of individuals and associations of individuals who are seeking to acquire serviced plots of land in the authority's area. Since 1 April 2016, when the Self Build Register became operational, a total of 150 applications have been made to register an interest in acquiring serviced plots.

Housing mix

3.36. The HEDNA takes into account a number of factors, including the current housing stock and demographic projections of future need, to set out an indicative mix of housing in new developments.

3.37. Based on future demographic projections, the HEDNA concludes that there is a clear need for market housing delivery over the entire Chichester District to be focussed on 2 and 3 bedrooms. A similar conclusion is reached for affordable home ownership/intermediate provision, albeit a greater percentage is expected to be delivered as smaller homes compared to the market sector.

3.38. The focus of affordable rented housing delivery is recommended to be 2 bedroom properties through a mixture of both flats and houses to ensure that the different requirements of households needing these properties can be met e.g. young families requiring garden space and older people potentially needing flatted developments.

Table 3 – Recommended housing mix of the HEDNA

	1-bed	2-bed	3-bed	4+ bed
Market	5%	25-30%	40-45%	25%
Low-cost home ownership	20%	40%	30%	10%
Affordable housing (rented)	25-30%	40-45%	20-25%	5-10%

3.39. In considering how to take this forward into draft planning policy, the Council has been aware of current increased demand from communities for a greater proportion for 2 and 3 bedroom developments to be built. This is considered to be reflective of the challenges of affordability currently experienced by some in the Chichester plan area, and the provisions of government incentives for first time buyers which has the effect of focussing demand on smaller property types.

3.40. As such the preferred approach in the draft Local Plan Review is to carry forward unchanged the recommended housing mix for affordable housing in the HEDNA. In relation to open market housing provision, the preferred mix is adjusted slightly as follows:

Table 4 – Proposed target housing mix of Local Plan Review: Preferred Approach

	1-bed	2-bed	3-bed	4+ bed
Market	At least 5%	At least 30%	Up to 45%	Up to 20%

Supply of smaller sites

3.41. The NPPF requires that 10% of the identified housing requirement should be on sites no larger than one hectare. With the identified housing requirement of 12,350 dwellings over the proposed lifetime of the Local Plan Review, this would require sites to be identified for 1,235 dwellings to come forward on sites of 1 hectare or less in size.

4. Meeting the housing requirement

Projected supply as of 1 April 2017

- 4.1. The Local Plan Review: Preferred Approach is based on the housing land supply position as of 1 April 2017. This reflects the most up-to-date position available at the time that the evidence base supporting the Local Plan Review was prepared. Accordingly this housing background paper presents the housing land supply position as of this date. The data used is provided by West Sussex County Council.
- 4.2. The Local Plan Review: Publication Version will be updated to present the latest available housing land supply data available which is expected to be a position as of 1 April 2018.
- 4.3. The overall housing supply position is set out in Policy S4 of the Draft Local Plan Review and re-created below. A detailed overview of the components of supply, ordered by parish, is attached at Appendix One and referenced in the following section.

Table 5 – Identified source of housing supply for Local Plan Review

Category		Number of dwellings (minimum)	Paragraph reference in this paper
Housing completions (1 April 2016 to 31 March 2017)		439	4.4
Housing supply (1 April 2017 to 31 March 2035)	Known commitments (<i>shown in italics below</i>)	6,444	4.5 – 4.15
	<i>Outstanding adopted LP allocations without pp</i>	<i>1,950</i>	4.6 - 4.10
	<i>Outstanding 'made' NP allocations without pp</i>	<i>189</i>	4.11 – 4.12
	<i>Planning permissions as of 1 April 2017</i>	<i>4305</i>	4.13 – 4.15
	Windfall (small site allowance)	695	4.16 – 4.18
	Proposed Strategic Locations/Allocations	4,400	4.19 – 4.28
Parish Housing Requirements		500	4.29-4.30
Total supply for the full Plan period (1 April 2016 to 31 March 2035)		12,478	

Completions

- 4.4. Between 1 April 2016 and 31 March 2017 439 net additional dwellings were completed in the Chichester Plan Area.

Known commitments

- 4.5. Known commitments refer to those elements of the housing land supply which are allocations within the existing development plan and/or planning permissions (or resolutions to permit) granted by the Council. They are unlikely to be influenced by the emerging Local Plan Review policies as they already have significant status within the planning system and thus can be reasonably expected to be relied upon to deliver during the plan period.

Outstanding adopted Local Plan allocations

- 4.6. The adopted Chichester Local Plan: Key Policies allocated sites at the Strategic Development Locations at:
- West of Chichester for 1600 dwellings (of which 1,250 should be delivered by 2029) through Policy 15;
 - Shopwyke for 500 dwellings through Policy 16;
 - Westhampnett/North East Chichester for 500 dwellings through Policy 17; and
 - Tangmere for 1000 dwellings through Policy 18.
- 4.7. In total, these provide for 3,250 dwellings to come forward during the period 2011-2029, with a further 350 dwellings to come forward at West of Chichester post 2029.
- 4.8. As of 1 April 2017, there remained 1,850 dwellings on these sites which had yet to be granted planning permission (or where the Council had yet to resolve to grant planning permission). This comprises:
- 1,000 dwellings at Tangmere (policy 18); and
 - 850 dwellings at West of Chichester (policy 15)
- 4.9. Capacity for a further 85 dwellings has also been confirmed at Shopwyke. This has been established through the granting of outline planning permission equating to 585 dwellings in total. As these already have planning permission, they are included within the total supply of sites with planning permission.

4.10. These are included in the components of housing supply table in Appendix One. Those allocated sites which had the benefit of planning permission as at 1 April 2017 are included within the figure discussed in paragraph 4.13 below.

Outstanding 'made' NP allocations without pp

4.11. As of 1 April 2017, there were 9 'made' neighbourhood plans within the Chichester plan area. At that time, of the provision made within these plans, 189 dwellings had yet to have gained planning permission (or a resolution to permit).

4.12. These are identified in the components of housing supply table set out in Appendix One.

Outstanding planning permissions as of 1 April 2017

4.13. Monitoring data identifies that there was a total supply of 4,405 dwellings that had the benefit of planning permission, or a resolution to permit, as of 1 April 2017 which had yet to be built. This includes sites that had previously been allocated for planning permission through the Chichester Local Plan: Key Policies or 'Made' Neighbourhood Plans which have subsequently been granted planning permission.

4.14. The total supply includes an estimate for the delivery of housing from sites of less than 6 dwellings. This uses a formula which assumes a 45% implementation rate on sites where development has not yet started. This rate has been used by WSCC for many years and is based on analysis of past completions.

4.15. These are identified in the components of housing supply table set out in Appendix One.

Windfall allowance from small housing sites

4.16. The housing supply figures include a windfall allowance for small housing developments of less than 6 homes, which has been calculated in accordance with the NPPF. The projected annual delivery of housing on small windfall sites assumes delivery of an average of 48 net dwellings per year. This figure is based on historic trends for small site completions (excluding residential gardens) over the 10 years from 2007-2017.

- 4.17. The exact numbers have fluctuated from year to year, but with no clear trend suggesting that small site completions are either increasing or reducing. Therefore, it is considered justifiable to project forward on the basis of these past average figures. The allowance for windfalls has been adjusted to avoid double counting with existing small site planning permissions and therefore is only included in the housing supply figures from 2019/20 onwards, albeit only in part in that year because there are also known permissions on small sites which are presumed to still come forward.
- 4.18. The components of housing supply set out in Appendix One provides an indicative spatial distribution for these sources of supply.

Proposed provisions of the Local Plan Review

- 4.19. The above sources of supply are expected to come forward irrespective of the particular additional provisions of the Local Plan Review. This is either because they are substantially advanced through the planning process or, in the case of the windfall allowance from small sites, because they are expected to come forward within the existing urban areas of the plan area which are not proposed to be specifically influenced in supply terms by the policies of the Local Plan Review.
- 4.20. In order to deliver the housing requirement of 650 dwellings per annum (12,350 dwellings for the period 2016-2035), it is necessary to identify a spatial strategy for increasing the housing supply. This includes the potential allocation of specific sites across the plan area and the identification of strategic locations for housing delivery to be delivered through neighbourhood planning. The draft Local Plan Review also identifies smaller-scale housing requirements for other parishes across the plan area which are expected to be taken forward through the neighbourhood planning process in the first instance.
- 4.21. The rationale for the spatial strategy currently proposed to be taken forward, along with alternatives considered, is set out in the Sustainability Appraisal which accompanies the draft Local Plan Review.
- 4.22. Sites identified in the draft Local Plan Review for allocation for development have principally been identified through the preparation of the Housing and Employment Land Availability Assessment (HELAA) but also supplemented through additional information becoming available through discussions with landowners and site promoters.

4.23. Where the responsibility for identifying sites has been delegated to neighbourhood planning, this provision has again been informed by the evidence base prepared to inform the Local Plan Review, including the HELAA and Sustainability Appraisal.

Strategic sites

4.24. The draft Local Plan Review proposes to allocate new strategic sites for development as identified in Table 6 below.

Table 6 – Proposed Local Plan Review new strategic site allocations

Draft Policy	Strategic site	Dwellings (minimum)
AL3	Land east of Chichester	600
AL5	Southern Gateway	350
AL6	South-west Chichester	100
AL7	Highgrove Farm, Bosham	250
AL12	Land north of Park Farm, Selsey	250
Total supply		1,550

4.25. The total supply from these new proposed allocations is 1,550 dwellings

4.26. In addition, further preliminary work has been undertaken to understand the capacity of land west of Tangmere which was previously allocated in the adopted Local Plan for 1,000 dwellings. This work has resulted in the capacity of the site being proposed to increase by 300 dwellings over that previously identified.

Strategic locations

4.27. In addition, parish councils have expressed a willingness to prepare neighbourhood plans to identify strategic allocations at locations across the plan area. These are listed in Table 7 below.

Table 7 – Proposed Local Plan Review strategic locations

Draft Policy	Strategic locations	Dwellings (minimum)
AL8	East Wittering	350
AL9	Fishbourne	250
AL10	Chidham & Hambrook	500
AL11	Hunston	200
AL13	Southbourne	1,250
Total supply		2,550

4.28. The total supply from these new proposed strategic locations is 2,550 dwellings.

Parish housing numbers

4.29. The draft Local Plan Review also provides for smaller-scale allocations in parishes to be made across the plan area. This is envisaged to be taken forward through neighbourhood planning in these parishes.

4.30. In total, 500 dwellings are expected to come forward from this source. The proposed distribution of these dwellings across the parishes is set out in Table 8 below.

Table 8 – Proposed Local Plan Review parish housing numbers

Parish	Housing Figure	Parish	Housing Figure
Apuldram	0	Birdham	125
Bosham	0	Boxgrove	50
Chichester City	50	Chidham and Hambrook	0
Donnington	0	Earnley	0
East Wittering	0	Fishbourne	0
Funtington	0	Hunston	0
Itchenor	0	Kirdford	0
Lavant	0	Loxwood	125
Lynchmere	0	North Mundham	50
Oving	0	Plaistow and Ifold	0
Selsey	0	Sidlesham	0
Southbourne	0	Tangmere	0
West Wittering	25	Westbourne	0
Westhampnett	50	Wisborough Green	25
		Total	500

Summary of supply position

4.31. In conclusion, the housing supply described above indicates that as of 1 April 2017 a significant proportion of the planned for housing requirements of the Chichester plan area were capable of being met from committed supply. The residual requirement of 4,900 has been specifically planned for within the draft Local Plan Review.

5. Other specific housing provision - supply

Affordable Housing

5.1. There were 159 affordable dwellings completed in 2016-2017, with a further 821 affordable dwellings outstanding as of 1 April 2017.

Elderly and other specialist accommodation

5.2. There were no recorded completions of elderly and specialist accommodation in 2016-2017. As of 1 April 2017, there was an outstanding permission for a 60 bed care home. In addition, there remained outstanding planning permission for 172 units of military residential accommodation to be built.

Student Accommodation

5.3. There were no recorded completions of student accommodation in 2016-2017. As of 1 April 2017, there was outstanding planning permission for 134 units of student accommodation.

Travelling Communities

5.4. At the time of preparing this paper, the monitoring data for 2016-2017 was not readily available for completions for travelling communities accommodation. As of 1 April 2017, there were outstanding planning permissions for 25 pitches for gypsy/traveller provision and 5 plots for travelling showpeople.

Self-build and custom housing

5.5. In the year 1 April 2016 through to 31 March 2017, planning applications were granted for 30 self-build dwellings.

Housing mix

5.6. Table 9 below provides a breakdown of the types of all dwellings (gross) completed in the year 2016-2017. It demonstrates that 50% of completions were for 1 & 2 bedroom properties. 26% of all completions were for flats.

Table 9 – Type and mix of dwellings completed between 1 April 2016 and 31 March 2017

Completions	Houses	Flats	Total	%
1 Bed	3	118	55	11.34%
2 Bed	115	74	189	38.97%
3 Bed	155	1	156	32.16%
4 Bed	85	0	85	17.53%

5.7. Turning to the outstanding commitments as of 1 April 2017, Table 10 below shows the committed gross supply on sites where the housing mix is known i.e. where the site has the benefit of full planning permission or reserved matters approval. The table shows that the mix of this supply is predominantly for 2 & 3 bedroom dwellings; at approximately 67%. Approximately 28% of all permissions are for flats.

Table 10 – Type and mix of dwellings with planning permission outstanding as at 1 April 2017

Commitments	Houses	Flats	Total	%
1 Bed	36	209	245	10.76%
2 Bed	474	260	734	32.22%
3 Bed	783	20	803	35.25%
4 Bed	492	4	496	21.77%

Supply of smaller sites

5.8. In the year 2016-2017, completions data indicates that there were 132 dwellings completed on sites of 1 hectare or less.

5.9. As of 1 April 2017, monitoring data suggests that approximately 1,360 dwellings of committed supply were likely to come forward on sites of 1 hectare or less. This excludes the potential supply from potential provisions within neighbourhood plans, and those small sites which are likely to come forward as part of the windfall allowance.

6. Conclusions & Next Steps

- 6.1. This background paper summarises the basis of the housing requirement that is currently considered to be appropriate to take forward within the draft Local Plan Review. Information is also given on identified needs for particular types of residential accommodation.
- 6.2. The background paper also identifies the understood supply position as of 1 April 2017, based on the data that was available at the time of preparing much of the draft Local Plan Review. It explains the elements of supply that were expected to come forward regardless of new planning policies, leaving a residual requirement that should be positively planned for in the preparation of the new Local Plan Review.
- 6.3. Based on the data available, the background paper indicates that sufficient housing is likely to come forward from the identified sources of supply to meet the identified requirements.

Next steps

- 6.4. It is intended that this Housing Background Paper will be reviewed and updated to accompany further iterations of the Local Plan Review. This is likely to include:
 - Updating in the light of the most up-to-date housing monitoring data available
 - Considering the potential delivery and phasing of future housing development, including the preparation of a housing trajectory
 - Ensuring that sufficient flexibility is provided for in the housing supply
 - Identifying the projected five year supply position at the anticipated point of adoption
 - Identifying the potential risks to delivery and the need for ongoing monitoring and review

Appendix One – Components of housing supply for Local Plan Review as of 1 April 2017

Parish	Net Completions 2016-217	Permissions as at 1 April 2017	Adopted LP Allocations without permission	Adopted LP Allocations expected after plan period) without permission	NP Allocations without permission	Windfall 2017-2029	Windfall 2029-2035	Proposed Strategic Allocations/Locations in Local Plan Review	Proposed Parish Numbers in Local Plan Review	Sub Total
Apuldram	-1	59	0		0	2	1	100	0	161
Birdham	15	13	0		0	6	4	0	125	163
Bosham	2	11	0		50	15	10	250	0	338
Boxgrove	0	26	0		0	7	4	0	50	87
Chichester City	129	1956	500	350	0	124	79	350	50	3538
Chidham and Hambrook	52	50	0		0	7	4	500	0	613
Donnington	3	37	0		0	7	4	0		51
Earnley	0	3	0		0	2	1	0	0	6
East Wittering	1	152	0		0	18	11	350	0	532
Fishbourne	32	22	0		15	12	8	250	0	339
Funtington	0	0	0		0	1	1	0	0	2
Hunston	1	3	0		7	6	4	200	0	221
Itchenor	-1	2	0		0	2	1	0	0	4
Kirdford	0	54	0		15	10	6	0	0	85
Lavant	0	0	0		10	1	1	0	0	12
Loxwood	0	48	0		17	11	7	0	125	208
Lynchmere	1	1	0		0	13	8	0	0	23
North Mundham	-1	38	0		0	6	4	0	50	97
Oving	0	686	0		0	3	2	600	0	1291
Plaistow and Ifold	6	19	0		10	19	12	0	0	66
Selsey	37	241	0		0	54	34	250	0	616
Sidlesham	0	14	0		0	4	3	0	0	21
Southbourne	48	371	0		0	37	24	1250	0	1730
Tangmere	68	158	720	280	42	11	7	300	0	1586
West Wittering	1	9	0		0	16	10	0	25	61
Westbourne	1	19	0		12	15	10	0	0	57
Westhampnett	44	358	0		0	7	4	0	50	463
Wisborough Green	1	55	0		11	9	6	0	25	107
Total	439	4405	1220	630	189	425	270	4400	500	12478