

**PLANNING,  
REGENERATION +  
INFRASTRUCTURE**  
**Local Plan Review  
Policy Advice**

Local Plan Review  
Policy Advice

Chichester District Council  
February 2023

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This document has been prepared and checked in accordance with the Lambert Smith Hampton Quality Assurance procedures and authorised for release.

Signed:

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For and on behalf of Lambert Smith Hampton

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## **1.0 INTRODUCTION**

### **1.1 Overview**

1.1.1 Lambert Smith Hampton (LSH) were instructed by Chichester District Council to review a range of evidence base documents and the Regulation 19 Local Plan Review consultation document. This review seeks to explore the following areas in detail and advise the Council of any necessary actions arising prior to the submission of the LPR for examination and/or prior to the examination starting. The advice is sought on 5 main areas, these are as follows:

1. The necessary buffer to be applied to the housing requirement
2. Review of the proposed housing trajectory
3. Appropriate windfall allowance for the Local Plan Review
4. Older Persons Housing – Meeting the Need
5. Affordable Housing – Meeting the Need

1.1.2 For each area set out above, the report will be structured as follows:

- Overview of the relevant National Planning Policy Framework and Planning Practice Guidance sections
- Overview of the proposed Local Plan Review Policy
- Overview and review of the relevance evidence base
- Review of relevant Local Plan Inspector reports and appeal decisions
- Summary of relevant sections of the Government's proposed changes to NPPF and Planning legislation
- Summary, conclusions and recommendations
- Overall summary and recommendations

## 2.0 HOW SHOULD THE NECESSARY BUFFER BE APPLIED TO THE HOUSING REQUIREMENT?

### 2.1 Overview

2.1.1 Local Planning Authorities are required to set a housing requirement for their Local Plan and identify a supply of sites to meet this requirement. National Policy requires that a buffer, i.e. more supply than the requirement, is identified when calculating an authority's 5 Year Housing Land Supply (5YHLS) to ensure that the requirement can be met on a rolling 5 year basis. Where an authority has identified evidence to justify a lower housing requirement, than prescribed by the NPPF, there is no clear guidance how such a buffer should be applied, particularly when the evidence to justify a lower housing requirement, caps this at a limit.

2.1.2 The Council sought advice on the following questions:

- *Should it applied so that the housing requirement 'cap' set by Council's evidence is reached, or should it be applied so that supply effectively exceeds the cap?*
- *How would speculative development, not allocated, be treated? It could have the unintended consequences of preventing allocated sites from coming forward*

### 2.2 National Planning Policy and Guidance

2.2.1 This section sets out the relevant national policy and guidance on housing requirements and housing supply buffers.

*i) Identifying the Housing Requirement*

2.2.2 Chapter 3 – Plan Making, of the NPPF sets out a broad framework of what Local Plans should cover. At paragraph 20, it sets out that strategic policies of plans should set out an overall strategy and make sufficient provision for housing, including affordable. Paragraph 35 sets out the 4 tests of soundness for Local Plan to be examined against. Of these 4 tests, the test of positively prepared, seeks to ensure a plan meets as a minimum an areas objectively assessed needs. For housing, it is clear that this should be done in accordance with paragraph 61.

2.2.3 Paragraph 61, in short, sets out that housing needs should be calculated using the standard methodology (as per the PPG), unless exceptional circumstances justify an alternative approach. For clarity, Chichester do not propose an alternative method to the standard method to calculate their LHN. However, an adjustment is necessary to take into account the South Downs National Park.

2.2.4 Paragraph 11, parts a) and b) set out how the presumption in favour of sustainable development should be applied in the plan making context. Part b) states that strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses. There are two exceptions for an LPA to not meet objectively assessed needs. These are:

*i. the application of policies in this Framework that protect areas or assets of particular importance provides a strong reason for restricting the overall scale, type or distribution of development in the plan area; or*

*ii. any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole*

2.2.5 The Council consider that paragraph 11 b) ii is applicable and that Transport evidence justifies not meeting the objectively assessed housing needs for the plan area.

2.2.6 The LHN is calculated using the Standard Method as stated in paragraph 61 of the NPPF (below). The PPG sets out the standard method as follows:

Step 1 – Setting the baseline – The projected average annual household growth over the next 10 year period using the 2014-based household projections.

Step 2 – An adjustment to take account of affordability – where the median affordability ratio is above 4, an adjustment factor should be applied. The adjustment factor is to be calculated using the formular below:

$$\text{Adjustment factor} = \left( \frac{\text{Local affordability ratio} - 4}{4} \right) \times 0.25 + 1$$

Step 3 – Capping the level of any increase – where a local authority adopted a local plan more than 5 years ago and has not reviewed their housing requirement figure since then, the cap is set at 40% above the higher of the most recent average annual housing requirement figure or household growth.

2.2.7 Paragraph 61 of the NPPF also states that in addition to the LHN as calculated by the Standard Method, any unmet needs from neighbouring authorities should be added:

*“To determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for.”*

2.2.8 Chichester’s Local Plan was adopted in 2015. Therefore as the extant development plan are more than five years old, national policy advises that the housing requirement should be calculated by use of the standard method.

2.2.9 The table below sets out the standard method calculation for Chichester which results in an adjusted LHN figure of 638 dwellings per annum.

**Table 1. Standard Method Calculation – Chichester**

<i>Step 1 Setting the baseline</i>	
2022 Households	54,814
2032 Households	60,265
Average annual increase 2022-2032	545
<i>Step 2 – Affordability Adjustment</i>	
2021 affordability ratio	14.67
Affordability adjustment	1.67
Adjusted figure	908
<i>Step 3 – capping the increase</i>	
40% cap	763
<i>Adjustment for plan area</i>	
-125 dwellings for the South Downs National Park Plan	638
<b>Annual LHN requirement</b>	<b>638</b>

2.2.10 This is the LHN figure before any reduction is made in relation to highways issues.

ii) Identifying the Appropriate Buffer

2.2.11 As per paragraph 74, strategic policies should include a trajectory illustrating the expected rate of delivery over the plan period, and that they should consider whether it is appropriate to set this out on a site-specific basis. Local Planning Authorities are then also required to identify and update annually a specific supply of deliverable sites sufficient to meet a minimum of five years' worth of housing against their housing requirement.

*“Strategic policies should include a trajectory illustrating the expected rate of housing delivery over the plan period, and all plans should consider whether it is appropriate to set out the anticipated rate of development for specific sites. Local planning authorities should 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 set out in adopted strategic policies<sup>38</sup>, or against their local housing need where the strategic policies are more than five years old<sup>39</sup>.”*

2.2.12 In practice this would mean that upon adoption of the Local Plan and each subsequent year the LPA should be able to identify a 5-year housing land supply.

2.2.13 Paragraph 74 then concludes that this supply of specific deliverable sites should in addition, include a buffer (moved forward from later in the plan period) of:

- 5% to ensure choice and competition in the market for land; or
- 10% where the local planning authority wishes to demonstrate a five-year supply of deliverable sites through an annual position statement or recently adopted plan, to account for any fluctuations in the market during that year; or
- 20% where there has been significant under delivery of housing over the previous three years, to improve the prospect of achieving the planned supply.

2.2.14 The appropriate buffer should be determined using the Housing Delivery Test (HDT). The HDT measures the number of dwellings delivered in an area against the homes required, and the results for each authority is published annually.

2.2.15 The Planning Practice Guidance provides additional clarification in stating that the buffer should be added to the requirement and any shortfall arising (O22 Reference ID: 68-022-20190722):

*“To ensure that there is a realistic prospect of achieving the planned level of housing supply, the local planning authority should always add an appropriate buffer, applied to the requirement in the first 5 years (including any shortfall), bringing forward additional sites from later in the plan period. This will result in a requirement over and above the level indicated by the strategic policy requirement or the local housing need figure.*

- *5% - the minimum buffer for all authorities, necessary to ensure choice and competition in the market, where they are not seeking to demonstrate a 5 year housing land supply;*
- *10% - the buffer for authorities seeking to ‘confirm’ 5 year housing land supply for a year, through a recently adopted plan or subsequent annual position statement (as set out in paragraph 74 of the National Planning Policy Framework), unless they have to apply a 20% buffer (as below); and*
- *20% - the buffer for authorities where delivery of housing taken as a whole over the previous 3 years, has fallen below 85% of the requirement, as set out in the last published Housing Delivery Test results.”*

2.2.16 As per the framework, a buffer is then applied to the LHN, the buffer is determined by the Housing Delivery Test. The HDT 2022 test result for Chichester is 136% and therefore a 5% buffer should be applied.

**Table 2. Housing Delivery Test Results – Chichester 2021**

	Year	Dwellings
<b>Number of homes required</b>	2018/19	435
	2019/20	398
	2020/21	405
	Total	1,238
<b>Number of homes delivered</b>	2018/19	650
	2019/20	512
	2020/21	520
	Total	1,682
<b>Housing Delivery Test: 2021 measurement</b>		<b>136%</b>
<b>Housing Delivery Test: 2021 consequence</b>		<b>None</b>



2.2.17 The table below sets out an illustrative 5 year housing requirement for Chichester. This calculates the annual housing requirement to be 670dpa and 3,350 dwellings between 2022-2026, prior to any reductions from Transport matters.

**Table 3. Housing Requirement Calculation – Chichester**

<i>Step 1 Setting the baseline</i>	
2022 Households	54,814
2032 Households	60,265
Average annual increase 2022-2032	545
<i>Step 2 – Affordability Adjustment</i>	
2021 affordability ratio	14.67
Affordability adjustment	1.67
Adjusted figure	908
<i>Step 3 – capping the increase</i>	
40% cap	763
<i>Adjustment for plan area</i>	
-125 dwellings for the South Downs National Park Plan	638
<b>Annual LHN requirement</b>	<b>638</b>
<i>Addition of buffer</i>	
Buffer	5%
LHN+ buffer	670
<b>Housing requirement</b>	
<b>Housing requirement 2020/21-2025/26</b>	<b>3,350</b>
<b>Annual housing requirement</b>	<b>670</b>

2.2.18 The NPPF nor the PPG identify any allowance in policy or guidance for not including a buffer to the housing requirement of plan, unlike the provisions with the NPPF which allow for a lower figure – when justified with evidence. Indeed the wording with the PPG is quite strong for the inclusion of a buffer, Paragraph: 022 Reference ID: 68-022-20190722, states that *the Local Planning Authority should always add an appropriate buffer...* [emphasis added].

iii) Past Shortfalls or Over-Supply

2.2.19 Another facet of housing requirement, buffer and supply, is the question of past shortfalls or over-supply in housing delivery. As set out above, when calculating LHN using the standard method it is not necessary to include any shortfalls in delivery from previous years, when calculating the LHN for plan making purposes the calculation can be made and ‘saved’ for two years whilst the plan is being prepared. This effectively freezes the start point of housing need in time and any shortfalls or over-supply in housing delivery accrued during that period of time, is relevant to the supply needed for the remainder of the Local Plan’s plan period.

2.2.20 Paragraphs 031 Reference ID: 68-031-20190722 and 032 Reference ID: 68-032-20190722 of the PPG deal with these two scenarios. Where there is a shortfall an LPA has the choice to deal with that in the short term (i.e. the 1<sup>st</sup> 5 years of the plan’s adoption) or the longer term (over the remainder of

the plan period). Where there has been an oversupply, it can be used to offset any shortfalls against requirements from previous years.

2.2.21 The narrow reading of dealing with over-supply would suggest that previous over supply should not be used to reduce future requirements but can only be used to net off previous shortfalls.

iv) Summary

2.2.22 Strategic policies of plans should set out an overall strategy and make sufficient provision for housing including affordable housing.

2.2.23 In accordance with the tests of soundness, plans must be positively prepared and ensure that, as a minimum, a Plan meets the areas objectively assessed need.

2.2.24 The NPPF and PPG are explicit in that housing needs should be calculated using the standard methodology unless exceptional circumstances justify an alternative approach.

2.2.25 Paragraph 11 of the NPPF requires strategic policies to meet objectively assessed need however, states that there are two exceptions to this requirement:

- Where assets and designations protected by the Framework would be compromised by development, and/or,
- Where the impacts of the proposed development would outweigh the benefits when assessed against the Framework policies.

2.2.26 Chichester District Council consider that the second exception applies, where transport evidence justifies not meeting the objectively assessed housing needs for the plan area.

2.2.27 The LHN is calculated using the Standard Method in accordance with paragraph 61 of the NPPF. The resulting adjusted LHN figure for Chichester (excluding the South Downs National Park) is 638 dwellings per annum.

2.2.28 The LHN figure above does not account for any reductions in relation to highway constraints.

2.2.29 In accordance with the NPPF, strategic policies should include a trajectory illustrating the expected rate of delivery over the plan period.

2.2.30 Local Planning Authorities are then also required to identify and update annually a specific supply of deliverable sites sufficient to meet a minimum of five years' worth of housing against their housing requirement.

2.2.31 Paragraph 74 then concludes that this supply of specific deliverable sites should in addition, include a buffer of:

- 5% to ensure choice and competition in the market for land; or
- 10% where the local planning authority wishes to demonstrate a five-year supply of deliverable sites through an annual position statement or recently adopted plan, to account for any fluctuations in the market during that year; or

- 20% where there has been significant under delivery of housing over the previous three years, to improve the prospect of achieving the planned supply.
- 2.2.32 The appropriate buffer should be determined using the Housing Delivery Test (HDT), the results of which have been published annually.
- 2.2.33 PPG clarifies the buffer should be added to the requirement and any shortfall arising (022 Reference ID: 68-022-20190722):
- 2.2.34 As per the framework, a buffer, as determined by the HDT, is then applied to the LHN.
- 2.2.35 In the case of Chichester, the HDT 2022 result is 136% and therefore a 5% buffer should be applied, as per table 3.
- 2.2.36 Table 3 outlines an illustrative 5 year housing requirement for Chichester. This calculates the annual housing requirement to be 670dpa and 3,350 dwellings between 2022-2026, prior to any reductions relating to transport constraints.
- 2.2.37 In relation to the application of buffers, the PPG is explicit at Paragraph: 022 Reference ID: 68-022-20190722, stating that the Local Planning Authority should always add an appropriate buffer.
- 2.2.38 With regards to accounting for shortfall in delivery, when calculating LHN using the standard method it is not necessary to include any shortfalls in delivery from previous years.
- 2.2.39 In fact, when calculating the LHN for plan making purposes the calculation can be made and 'saved' for two years whilst the plan is being prepared, effectively freezing the start point of housing need.
- 2.2.40 The PPG clarifies that in relation to shortfall, an LPA has the choice to deal with that in the 1<sup>st</sup> 5 years of the plan's adoption or over the remainder of the plan period.
- 2.2.41 Furthermore, where there has been an oversupply, it can be used to offset any shortfalls against requirements from previous years.

### **2.3 Overview of the proposed Local Plan Review Policy**

- 2.3.1 The Council propose a housing requirement of 10,350 homes over the Plan period 1 April 2021 to 31 March 2039 (18 years, 575 dwellings per year). The Plan identifies a total supply, including sites already completed, of 10,359 dwellings.
- 2.3.2 The proposed housing requirement is less than the LHN calculated by the Standard Methodology (11,484 dwellings – 638 dwellings per year for 18 years), by 1,134 dwellings. The Council are engaged with neighbouring authorities to help meet this need; the Council are also now unlikely to help meet those unmet needs arising from South Downs National Park.
- 2.3.3 The Housing trajectory reviewed was set out in the file named '*Figures for Policy S4 and Trajectory - Plan Area – 211122*'. This shows a housing requirement of 575 dwellings per annum and a schedule of sites from a range of sources:
- Under Construction

- Sites 10+ with Extant detailed permission
- Sites 10+ with Extant outline permission
- C2 Permissions
- Permissions on small sites (5-9 dwellings)
- Permissions on small sites (4 or less dwellings)
- Sites currently not included in the 5YHLS
- Sites allocated in the Local Plan 2014 to 2029
- Sites allocated in made NDPs
- Windfall Allowance
- Proposed allocations in the LPR

2.3.4 These sites are shown to come forward across the Plan period, to meet the housing requirement of 10,350 dwellings.

2.3.5 As set out above, the appropriate buffer for Chichester to apply to the housing requirement is 5%.

2.3.6 The trajectory applies a 5% buffer to each of the rolling 5 year period set out between rows 135 and 140. The trajectory shows a rolling 5 year supply until 2030/31, and then it declines across the remainder of the plan period, down to a 3.41 year supply.

## **2.4 Overview and review of relevant evidence base**

2.4.1 n/a

## **2.5 Review of relevant Local Plan Inspector reports**

2.5.1 We have carried out a review of Local Plan Inspector reports which have all found the relevant submitted Local Plan sound. The Plans reviewed are those only found sound since 2021 and excludes plans submitted prior to 2018. This filtering of plans seeks to exclude those which were prepared under the transitional arrangements between the 2012 and 2018 NPPFs and ensures plans reviewed have a housing need figure calculated using the Standard Methodology. Plans which were only reviews of extant development plans, less than 5 years old, were excluded. A total of 24 Local Plans and Inspector reports were reviewed, of these 6 were not of relevance, were prepared under the transitional arrangements, or the inspector report was not available. The list of 24 Plans reviewed is set out in the table below.

**Table 4. Local Plan Inspector Reports Reviewed**

<b>Local Planning Authority</b>	<b>Date Local Plan Submitted for Examination</b>	<b>Date Local Plan Found Sound</b>	<b>Date Plan Adopted</b>	<b>Notes</b>
Brent, London Borough of	17/03/2020	17/01/2022		A 5% buffer is applied, to the 5 year period only
Brentwood Borough Council	17/02/2020	23/02/2022	23/03/2022	A 20% buffer is applied to the 5 year period only.
Castle Point District Council	02/10/2020	03/03/2022		A 20% buffer is applied to the 5 year period at adoption only.
Darlington Borough Council	22/12/2020	28/01/2022	17/02/2022	A 5% buffer is applied to the 5 year period, this would ensure the plan is effective.
Dartmoor National Park - Local Plan Review	21/09/2020	01/11/2021	03/12/2021	A 5% buffer is used and can demonstrate a 5YHLS upon adoption
Doncaster Metropolitan Borough Council	04/03/2020	30/06/2021	23/09/2021	A 10% buffer is used and can demonstrate a 5YHLS upon adoption. However a Main Mod was insert to set out that any shortfall would be dealt with in the immediate 5 years, not throughout the plan period.
Eastleigh Borough Council	31/10/2018	14/03/2022	25/04/2022	Plan examined under 2012 Framework
Folkestone & Hythe District Council - Core Strategy Review	10/03/2020	23/02/2022	30/03/2022	Inspector report is poor, does not deal with housing very well.
Fylde Borough Council - Local Plan Review	21/10/2020	21/10/2021		Does not deal with land supply
Halton Borough Council - Delivery & Allocations Local Plan	05/03/2020	22/02/2022	02/03/2022	A 5% buffer is used and can demonstrate a 5YHLS upon adoption. Inspector report also notes that only a 14.5 year supply can be

				demonstrated for the 15 year plan period. But is not a soundness issue and does not require modification.
Hambleton District Council	31/03/2020	19/01/2022	22/02/2022	A 5% buffer is used and can demonstrate a 5YHLS upon adoption.
Ipswich Borough Council - Local Plan Review	10/06/2020	17/02/2022	23/03/2022	A 20% buffer is used and can demonstrate a 5YHLS upon adoption. Housing requirement in early years is netted off against recent levels of higher than requirement completion levels.
Isles of Scilly Council	30/09/2019	23/02/2021	25/03/2021	Unique circumstances of the plan, there is no LHN requirement.
Lake District National Park	01/08/2019	15/03/2021	19/05/2021	Report not available
Lambeth, London Borough of - Local Plan Review	22/05/2020	22/07/2021	22/09/2021	A 5% buffer is used and can demonstrate a 5YHLS upon adoption. Inspector was clear that a 5 year supply is just that, and that there is no need for a 5.5 year supply. That a headroom of only 181 dwellings was enough.
Northumberland Council	29/05/2019	26/01/2022	31/03/2022	A 5% buffer is used and can demonstrate a 5YHLS upon adoption
Old Oak and Park Royal Development Corporation	04/10/2018	01/04/2022	22/06/2022	Not applicable as only dealt with strategic development areas in London.
Rossendale Borough Council	25/03/2019	19/11/2021	15/12/2021	A 20% buffer is used and can demonstrate a 5YHLS upon adoption. However the inspector notes the plan would have a shortfall from the total requirement.

Southwark, London Borough of - New Southwark Plan	16/01/2020	17/11/2021		A 20% buffer is used and can demonstrate a 5YHLS upon adoption. However given the huge over allocation of land, by almost 10,000 the examination did not go into supply in much detail.
St Helens Metropolitan Borough Council	29/10/2020	18/05/2022	12/07/2022	A 5% buffer is used and can demonstrate a 5YHLS upon adoption. Inspector allowed for previous high delivery to be netted off against the requirement left in the whole plan period.
Watford Borough Council	06/08/2021	20/09/2022	17/10/2022	
Westminster, City of (City Plan 2019-2040)	19/11/2019	19/03/2021	21/04/2021	
Worthing Borough Council	11/06/2021	14/10/2022		A 5% buffer is used and can demonstrate a 5YHLS upon adoption. However the inspector noted the very marginal position and that the 5 year review would monitor the situation.
Wyre Forest District Council - Local plan Review	30/04/2020	11/03/2022	26/04/2022	A 5% buffer is used and can demonstrate a 5YHLS upon adoption. Inspector noted that a 7 year rolling supply was identified.

2.5.2 Following our review of these recently examined Local Plans, which have been found sound there are several key points which need to be considered with respect to how a buffer is applied in Chichester. These are as follows:

2.5.3 The buffer has to be applied, there are no examples of when a buffer isn't used apart from the Isle of Scilly

2.5.4 The examining Inspectors generally consider what the 5YHLS position will be at the point of adoption, with the appropriate buffer. There are a few which have not explicitly dealt with the 5YHLS position at the point of adoption, however these do not deal with land supply in a different way.

- 2.5.5 Some inspectors consider how the 5YHLS will be through the lifetime of the plan, whilst some only consider if there is a sufficient supply to meet the overall requirement of the Plan, which does not include a buffer to the plan's requirement.
- 2.5.6 Inspectors have allowed LPAs to use past levels of completion, which go above the requirement, in the early years of the Plan to net off against the remaining housing need. Similarly, where there is undersupply, this is added to the requirement, in some cases it is dealt with immediately, in some it is spread across the Plan.
- 2.5.7 Local Plans which have an abundant supply of housing, require less scrutiny than those with a marginal supply, however it is notable that Inspectors are clear that only a 5YHLS has to be demonstrated, it does not have to be a certain amount higher than 5 years. In several examples a 5YHLS position just above 5 years was adequate. Likewise, for the whole plan supply, there are examples where the supply does not meet the total required. Inspectors identify that the statutory 5 year review can address such issues.

## **2.6 Recommendations**

- 2.6.1 We have reviewed national policy and guidance, recent Local Plan Inspector reports and the Council's proposed Local Plan and evidence base. Following this review, we consider that it is clear how the Council should apply the buffer to the housing requirement. In addition to this, we consider that the Council should make a change to how it deals with completions within the proposed plan period.
- 2.6.2 First, we deal with past over supply. Whilst the PPG is relatively silent, or ambiguous on the latter, there are several Local Plan Inspector reports, where LPAs have used past over supply, to reduce the remaining housing requirement for the plan period. The plan period for the LPR starts in 2021/22, which saw 712 completions. The Council's housing requirement is 575 dwellings per year, over the whole 18 year plan period. However, if the completions in 2021/22 are deducted from the overall requirement of 10,350, this leaves a requirement of 9,638 dwellings over the remaining 17 years. This equates to 567 dwellings per year, or 8 dwellings less per year. Over a 5 year period, and apply a buffer of 5%, this equates to 42 dwellings.
- 2.6.3 Secondly, we deal with the principal question on this matter, how should the necessary buffer be applied to the housing requirement? This is straightforward as previously advised and shown in the referenced Local Plan Inspector reports. The NPPF requires that upon adoption a Local Plan can demonstrate a 5 year housing land supply, including the appropriate buffer of either 5%, 10% or 20%. For Chichester this is 5% and has been for several years. There is no requirement to be a specific quantum above 5 years, importantly several Inspectors make this distinction clear and that as long as the land supply position is above 5 years, that is sufficient. There is no need to demonstrate that



there is a supply of dwellings to meet the requirement, plus a 5% buffer for the whole plan period. Inspectors only need to ensure that there is a sufficient supply for the plan period, no buffer is required. There are several Local Plans which have recently been adopted without a 15 year supply of housing. Some inspectors have examined whether a plan will have a rolling 5 year housing land supply, above 5 years, and if so for how long. Logically a plan would be effective if a rolling supply, could be identified for at least 5 years. In examples where land supply drops off after 5 years or more, Inspectors have referred to specific policies with the plans, or to the statutory requirement to review a Local Plan after 5 years. Both mechanisms would allow an LPA to address issues of land supply, and or revisit housing requirement figures.

- 2.6.4 What does this mean for the LPR? When seeking to demonstrate a 5YHLS upon adoption and on a rolling basis for subsequent years, at the point of adoption. By netting off previous completions, which for Chichester have been above the housing requirement proposed in the plan, this would result in an improved 5YHLS position throughout the plan period up to 2034/35, which the Council have assessed. This is demonstrated in the tables below. Whilst the improvement is only marginal, two things need to be recognised. Firstly that if a subsequent year over completions is added into the equation, this would improve the land supply further. Secondly, in recent years the land supply position in Chichester has been finely balanced and 5YHLS positions have been defended on the narrowest of margins above 5 years, therefore utilising this approach would be advantageous to the Council if the position needs to be defended in future years.
- 2.6.5 When looking at the land supply position for the whole plan period, the requirement is 10,350 dwellings. The Council's supply is 10,354 dwellings, showing a very small over supply over the plan period. This would satisfy the need to demonstrate a land supply over 15 years, when considering the approach of other Inspectors, if this were to drop to 14, 13, or perhaps 12 years supply, this has not meant the plan is not sound, it has however led to Modifications in the plan requiring policies to monitor and review.

Table 5. Council's original housing trajectory using 575 annual requirement

	2022 /23	2023 /24	2024 /25	2025 /26	2026 /27	2027 /28	2028 /29	2029 /30	2030 /31	2031 /32	2032 /33	2033 /34	2034 /35
Project ed five year housing supply	3229	3065	3050	3052	3111	3130	3148	3083	2898	2741	2499	2273	2056
Adjusted five year housing requirement (+ buffer)	3019	3019	3019	3019	3019	3019	3019	3019	3019	3019	3019	3019	3019
Monitoring position above/below housing requirement	210	46	31	33	92	111	129	64	-121	-278	-520	-746	-963
Project ed years housing supply	5.35	5.08	5.05	5.06	5.15	5.18	5.21	5.11	4.8	4.54	4.14	3.76	3.41

Table 6. Council’s original housing trajectory using 567 annual requirement

	2022 /23	2023 /24	2024 /25	2025 /26	2026 /27	2027 /28	2028 /29	2029 /30	2030 /31	2031 /32	2032 /33	2033 /34	2034 /35
Projected five year housing supply	3229	3065	3050	3052	3111	3130	3148	3083	2898	2741	2499	2273	2056
Adjusted five year housing requirement (+ buffer)	2977	2977	2977	2977	2977	2977	2977	2977	2977	2977	2977	2977	2976
Monitoring position above/below housing requirement	252	88	73	75	134	153	171	106	-79	-236	-478	-704	-920
Projected years housing supply	5.42	5.15	5.12	5.13	5.23	5.26	5.29	5.18	4.87	4.60	4.20	3.82	3.45

2.6.6 We would recommend that the Council takes an approach where past completions are netted off against the total requirement, for this approach to be used post-adoption, it would need to be explicitly referenced in an appropriate policy within the Plan.

2.6.7 There does not appear to be a policy setting out the Council’s approach to monitoring, although appendix F has the monitoring framework listed. This does not however refer to how 5YHLS will be monitored and the Council’s approach to this. The approach to 5YHLS needs to be either referred to in a monitoring policy, or it needs to be set out in the monitoring framework. If this is not done, then past completions would not be netted off against the remaining requirement.

## 3.0 HOUSING TRAJECTORY

### 3.1 Overview

- 3.1.1 As per paragraph 66 of the NPPF, Local Planning Authorities are required to set a housing requirement for their Local Plan and identify a supply of sites to meet this requirement. In addition, National Policy (paragraph 74) requires that a trajectory for the supply of housing for the Plan period indicatively outlines which sites will come forward and at what stage.
- 3.1.2 The National Planning Policy Framework (NPPF) outlines the requirement for such a trajectory in policy and emphasises that the trajectory should be updated on an annual basis, evidencing a supply for the forthcoming 5-year period.
- 3.1.3 However, at the outset of Plan production the NPPF also states that strategic policy making authorities should have a clear understanding of the amount of land available for housing identified through a Strategic Housing Land Availability Assessment (SHLAA).
- 3.1.4 Given the fundamental principle set out for housing trajectories in the NPPF, the Council sought a review of relevant policy in the Local Plan Review and a review of the current trajectory.

### 3.2 National Planning Policy and Guidance

- 3.2.1 This section sets out the relevant national policy and guidance on housing trajectories.
- v) Housing Trajectories
- 3.2.2 Chapter 5 – Delivering a sufficient supply of homes, of the NPPF, states that a range of suitable sites should be identified from the SHLAA, which provide sufficient supply and mix to meet all local market needs.
- 3.2.3 Crucially, the NPPF goes on to state that site selection should take:
- ‘...account [of] their availability, suitability and likely economic viability. Planning policies should identify a supply of:*
- a) *specific, deliverable sites for years one to five of the plan period; and*
- b) *specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan.’*
- 3.2.4 It is therefore clear that the NPPF requires Plan trajectories in relation to housing provision, should look beyond the initial five-year period, to ensure there is sufficient supply to meet the identified need and/or requirement.
- 3.2.5 A stepped trajectory is used in acceptance that there may be a shortfall in delivery in the early years of the Plan, where delivery increases in the latter years of the Plan where larger strategic development schemes commence.
- 3.2.6 However, this approach needs to be evidenced and site deliverability realistically achievable within the envisaged timescales (PPG: Paragraph: 019 Reference ID: 68-019-20190722).

3.2.7 The PPG goes on to add that:

‘A stepped housing requirement may be appropriate where there is to be a significant change in the level of housing requirement between emerging and previous policies and / or where strategic sites will have a phased delivery or are likely to be delivered later in the plan period.’ (Paragraph: 021 Reference ID: 68-021-20190722)

3.2.8 As per the PPG, as referenced above, those strategic policy makers who adopt this approach need to demonstrate evidence to support that choice, where the stepped requirement is also identified in strategic housing policy. (Paragraph: 021 Reference ID: 68-021-20190722)

3.2.9 The same paragraph of the PPG places emphasis on the use of stepped requirements in not seeking to delay meeting identified development needs, however, where adopted, stepped requirements must ensure housing requirements are met in full, within Plan periods.

vi) Summary

3.2.10 Both the NPPF and PPG state that stepped trajectories and requirements can be used in instances where there may be a shortfall in housing delivery in the early years of the Plan and where larger strategic sites are anticipated to come forward later during the Plan period.

3.2.11 Both the NPPF and PPG specify that;

- The use of stepped requirements needs to be clearly evidenced and justified. The use of a stepped requirement needs to be identified in strategic housing policy. A stepped housing requirement must not be used to delay meeting identified needs and should ensure housing requirements are met in full within Plan periods.

### **3.3 Review of relevant Local Plans and associated Inspector reports**

3.3.1 We have carried out a review of Local Plans, some of which include a stepped requirement and the associated Inspector reports which have all found the relevant submitted Local Plan sound.

3.3.2 This section also reviews the evidence used to justify adopting the stepped approach, where applicable, as well as outline where there was Inspector support.

3.3.3 The Plans reviewed are those only found sound since 2021 and excludes plans submitted prior to 2018. This filtering of plans seeks to exclude those which were prepared under the transitional arrangements between the 2012 and 2018 NPPFs. Plans which were only reviews of extant development plans, less than 5 years old, were excluded. A total of 24 Local Plans and Inspector reports were reviewed, of these 6 were not of relevance, or prepared under the transitional arrangements, or the inspector report was not available. The list of 24 Plans reviewed is set out in the table below. #

**Table 7. Local Plan Inspector Reports Reviewed**

Local Planning Authority	Date Local Plan Submitted for Examination	Date Local Plan Found Sound	Date Plan Adopted	Notes
Brent, London Borough of	17/03/2020	17/01/2022		<p>No stepped trajectory. Main Mod to update trajectory to take account of latest evidence and 5YHLS position and up to date knowledge of sites.</p> <p>Trajectory identifies sufficient supply for first 10 years of Plan period.</p> <p>For years 11-15 of the Plan, the housing supply identifies a mix of allocations and windfalls.</p>
Brentwood Borough Council	17/02/2020	23/02/2022	23/03/2022	<p>Plan includes a stepped requirement. Approach justified on the basis that greater proportion of allocated sites likely to be delivered later in the Plan period, in particular the strategic sites.</p> <p>Main mod to ensure that delivery rates for allocations are revised to reflect the latest evidence.</p> <p>Despite current delivery rates and lead in times being based on previous experience and evidence, Inspector felt that for several sites and in particular the larger ones, lead in times and delivery rates need to be amended as lead in times are likely to be</p>

				greater and delivery rates lowered. In one example (Dunton Hills Garden Village) original delivery was due to start in 2022/23 however the site did not have planning permission at the time and therefore did not meet the definition of deliverable in the Framework.
Castle Point District Council	02/10/2020	03/03/2022		Inspector advised using a stepped housing requirement given that it will take some time for the proposed allocations to come forward. This was due to the large uplift from the new requirement in comparison to past delivery. This is primarily due to the presence of the Greenbelt in which the allocations will remain until the Plan is adopted, and time for master planning, development briefs, applications and conditions and obligations to be discharged and ultimately, construction to commence. The stepped approach will mean that the requirement is met in the Plan period, but reflect the realistic trajectory for the delivery of homes.
Darlington Borough Council	22/12/2020	28/01/2022	17/02/2022	No stepped trajectory. Main Mod to amend trajectory to take

				account of the latest monitoring evidence.
Dartmoor National Park - Local Plan Review	21/09/2020	01/11/2021	03/12/2021	No stepped trajectory. The trajectory is based upon up-to-date evidence and start dates and delivery rates are achievable.
Doncaster Metropolitan Borough Council	04/03/2020	30/06/2021	23/09/2021	No stepped trajectory. Main Mod to update the housing trajectory to reflect the latest evidence with regards to commitments and allocations.
Eastleigh Borough Council	31/10/2018	14/03/2022	25/04/2022	Plan examined under 2012 Framework
Folkestone & Hythe District Council - Core Strategy Review	10/03/2020	23/02/2022	30/03/2022	Does not directly refer to housing trajectories.
Fylde Borough Council - Local Plan Review	21/10/2020	21/10/2021		Does not directly refer to housing trajectories.
Halton Borough Council - Delivery & Allocations Local Plan	05/03/2020	22/02/2022	02/03/2022	Housing trajectory illustrates peak delivery that exceeds past delivery rates and a Main Mod requires the trajectory to be updated in the interest of effectiveness.
Hambleton District Council	31/03/2020	19/01/2022	22/02/2022	Main Mod to include housing trajectory where original Plan lacked one.
Ipswich Borough Council - Local Plan Review	10/06/2020	17/02/2022	23/03/2022	Inspectors are satisfied that the evidence provided justifies a stepped trajectory approach given evidence of limited capacity for future development and the nature of a significant amount of delivery on strategic housing allocations later in the Plan period.



Isles of Scilly Council	30/09/2019	23/02/2021	25/03/2021	Does not directly refer to housing trajectories.
Lake District National Park	01/08/2019	15/03/2021	19/05/2021	Report not available.
Lambeth, London Borough of - Local Plan Review	22/05/2020	22/07/2021	22/09/2021	Main Mod to ensure that the housing trajectory is based upon the latest available evidence.
Northumberland Council	29/05/2019	26/01/2022	31/03/2022	During examination, Council updated evidence with regards to housing land supply in relation to completions, lapsed permissions, and commitments. Additional information was also sought from developers regarding the delivery of sites. Inspector satisfied that updated evidence was proportionate and justified the trajectory, however a Main Mod was required to ensure the trajectory reflected the updated information.
Old Oak and Park Royal Development Corporation	04/10/2018	01/04/2022	22/06/2022	Does not directly refer to housing trajectories.
Rossendale Borough Council	25/03/2019	19/11/2021	15/12/2021	Inspector recommended the use of a stepped trajectory based upon the different needs calculated for different periods of the Plan.
Southwark, London Borough of - New Southwark Plan	16/01/2020	17/11/2021		Inspector advises that there is no need to introduce a stepped trajectory despite the step change in delivery required of Southwark by the London Plan, due to

				the appreciable number of detailed consents in the pipeline, including on those sites allocated within the Plan.
St Helens Metropolitan Borough Council	29/10/2020	18/05/2022	12/07/2022	Housing trajectory and delivery is reasonable however, larger allocations of capacities with 350, 1100 and 800 homes suggests capacity for more than one outlet where delivery of 45dpa is more realistic given their urban location. Otherwise, the housing trajectory in relation to the SHLAA sites is based upon realistic assumptions about timetable for delivery, lead in times and build out rates.
Watford Borough Council	06/08/2021	20/09/2022	17/10/2022	Inspector required that to be justified and effective, the housing supply figures in the Plan need to be updated to reflect the modified Plan period and evidence on timing of development for each site. The modified housing trajectory identifies more than sufficient supply for years 6-10, in line with National Policy. Trajectory based on reasonable evidence demonstrates that a 5YHLS will be attainable on Adoption and in subsequent years.
Westminster, City of (City Plan 2019-2040)	19/11/2019	19/03/2021	21/04/2021	Main Mod to ensure that the housing

				trajectory was realistic and reflects the London Plan as opposed to the laudable efforts of the Plan to deliver over and above the figure prescribed for Westminster by the London Plan, this was deemed inappropriate and unrealistic.
Worthing Borough Council	11/06/2021	14/10/2022		Main Mod for the inclusion of a housing trajectory to ensure consistency with National Policy
Wyre Forest District Council - Local plan Review	30/04/2020	11/03/2022	26/04/2022	Trajectory was deemed realistic and achievable however Main Mod ensures the most recent and updated trajectory is included in place of the outdated trajectory submitted with the Plan.

- 3.3.4 Following our review of these recently examined Local Plans, which have been found sound there are several key points which need to be considered with respect to the use of stepped trajectories and what makes a soundly based trajectory in the eyes of the Inspector.
- 3.3.5 Primarily, in most of the cases above, a Main Modification was applied that ensured that housing trajectories in Plans took account of the latest evidence available. Examples of the evidence referenced in the Inspector reports included the latest monitoring data in relation to the delivery of housing, namely, completion, commitments, and permission data as well as up to date information in relation to sites from respective developers.
- 3.3.6 In several cases, stepped trajectories were justified and supported by inspectors where there was evidence that larger strategic sites would come forward later in the Plan period.
- 3.3.7 In a couple of the cases above, Brentford for example, the Inspector increased lead in times and decreased delivery rates for larger residential schemes, which impacted upon delivery, especially so in cases where there was not an extant planning permission.
- 3.3.8 Furthermore, stepped trajectories and requirements were justified and supported where they allowed proposed allocations to come forward later in the Plan period especially where there was a large uplift from past delivery to annual requirements in respective Plans.

- 3.3.9 Inspectors also supported the use of stepped trajectories where use allowed increased time for master planning of large site, the formation of development briefs, the application process from pre app to approval as well as the discharge of obligations and conditions.
- 3.3.10 In the case of the London boroughs, namely Southwark, the Inspector dismissed the need for a stepped trajectory where there were planning permissions in the pipeline that contributed to the supply.
- 3.3.11 In the case of Westminster, whilst the Inspector lauded the aspiration of the borough to deliver over and above the requirement prescribed by the London Plan, ultimately the Inspector deemed the trajectory inappropriate and un-realistic where it should reflect the London Plan instead.

### **3.4 Overview of the proposed Local Plan Review Policy and Housing Land Supply**

- 3.4.1 The Local Plan Review identifies a housing requirement for the Plan period (1<sup>st</sup> April 2021-31<sup>st</sup> March 2039) of 10,350 dwellings, stating that it is the target to deliver this in the Plan area over the period above.
- 3.4.2 Policy H1 'Meeting Housing Needs' of the Plan identifies an anticipated supply of 10,339 and provides a breakdown of the supply and its associated source.
- 3.4.3 Table 8 below is taken from the Local Plan policy H1 'Meeting Housing Needs'. Of the sources, 'known commitments' have the largest share at 54.9%<sup>1</sup> of the total supply of housing for the Plan period. This is followed by 'planning permissions as of January 2023 (32.5%) and then 'New Strategic Locations/Broad Location for Development and Allocations at 31%. The completions recorded for the April 2021 – March 2022 monitoring period represent 6.9% and the 'windfall (small site allowance)', 6.4%, where the non-strategic parish housing requirements represent 3%.

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<sup>1</sup> This includes over 140 dwellings on proposed strategic locations/allocations and over 60 dwellings from the parish housing requirements

**Table 8. Chichester Local Plan – Sources of Housing Supply**

Category		Number of dwellings
Housing requirement for the full Plan period (1 April 2021 to 31 March 2039)		10,350
Housing Supply	a. Completions 1 April 2021 - 31st March 2022	712
Housing Supply (1 April 2021 to 31 March 2039)	b. Known commitments (comprising)	5,674
	<i>Outstanding 2015 Local Plan<sup>2</sup> and Site Allocation DPD 2014 – 2029 allocations<sup>3</sup> without planning permission</i>	2,210
	<i>Outstanding 'made' Neighbourhood Plan allocations without planning permission</i>	100
	<i>Planning permissions as of 1 January 2023<sup>4</sup></i>	3,364
	New Strategic Locations/Broad Location for Development and Allocations	3,210
	<i>c. Remaining figure without planning permission</i>	3,056
	Non-Strategic Parish Housing Requirements	310
	<i>d. Remaining figure without planning permission</i>	260
	<i>e. Windfall (small site allowance)</i>	657
<b>Total supply for the full Plan period (1 April 2021 to 31 March 2039) (=a+b+c+d+e)</b>		<b>10,359</b>

Source: Chichester Local Plan Policy H1 'Meeting Housing Needs'

- 3.4.4 The Plan also contains a trajectory for the delivery of the above supply, which is contained at Appendix E.
- 3.4.5 The trajectory contains details of the indicative scheduled supply for all sources of housing supply; however, the overall indicative trajectory is set out in the table below.
- 3.4.6 As outlined in the table below, delivery is set to peak in 2022/23 before declining to 519 in 2025/26. As to be expected, delivery also begins to decline towards the end of the Plan period, as many sites including strategic allocations begin to complete.
- 3.4.7 As per the below trajectory, half of the housing requirement (5,175) is anticipated to be delivered by 2029/30.
- 3.4.8 The graph below illustrates the anticipated delivery against the annual net housing target. Delivery exceeds the annual net target for the majority of the Plan period; however, delivery falls below the annual requirement on 7 occasions, however the majority of these are towards the end of the Plan period.

<sup>2</sup> Carried forward in this Local Plan (see Policy H2 Strategic Locations/ Allocations 2021 – 2039)

<sup>3</sup> Carried forward in this Local Plan (see Policy H2 Strategic Locations/ Allocations 2021 – 2039) Site Allocations DPD 2014-2029)

<sup>4</sup> Does not include planning permissions on small sites (1-4 dwellings) permitted after 1<sup>st</sup> April 2022 as these are included in the windfall allowance.

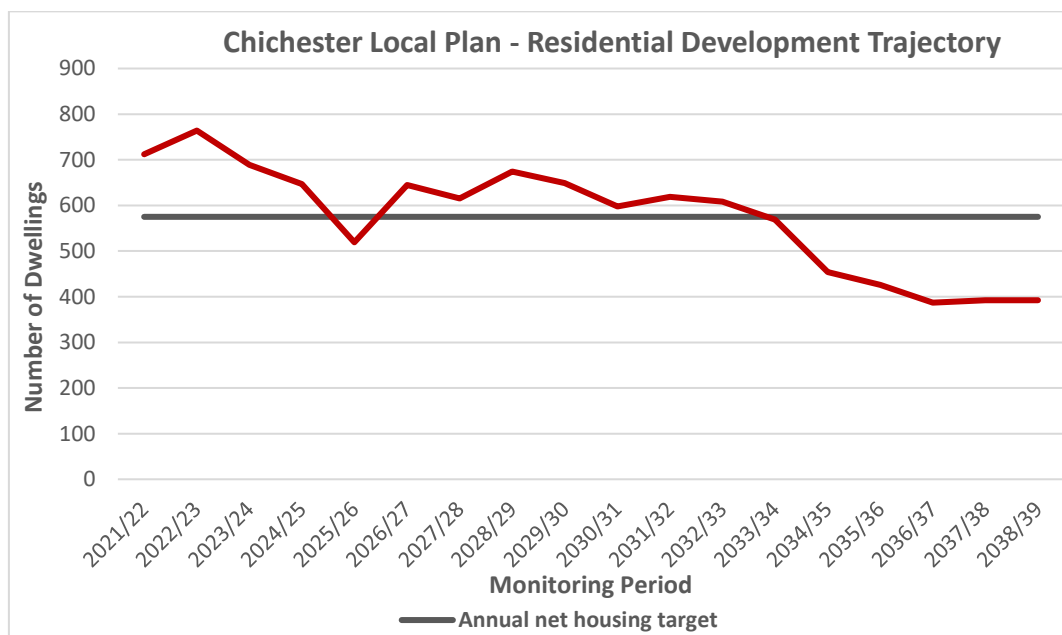
**Table 9. Chichester Local Plan Indicative Housing Trajectory – Total Projected Supply**

Monitoring Period	Anticipated Delivery	Annual Net Housing Target
2021/22	712 <sup>5</sup>	575
2022/23	764	575
2023/24	689	575
2024/25	647	575
2025/26	519	575
2026/27	645	575
2027/28	615	575
2028/29	674	575
2029/30	649	575
2030/31	598	575
2031/32	619	575
2032/33	608	575
2033/34	569	575
2034/35	454	575
2035/36	426	575
2036/37	387	575
2037/38	392	575
2038/39	392	575
Total Plan Period	10,359	

Source: Appendix E, Chichester Local Plan

<sup>5</sup> Recorded completions 1 April 2021 - 31st March 2022

Figure 1. Chichester Local Plan Trajectory against annual net housing target.



**3.5 The Council’s approach to Neighbourhood Development Plans and their role in the supply of housing for the District**

3.5.1 This section of the report outlines the role of Neighbourhood Development Plans (NDPs) in the successful delivery of the Chichester Local Plan as well as what contingency the Council have in place, should NDPs not come forward.

3.5.2 Paragraph 66 of the NPPF states that

*‘Within this overall requirement [housing requirement], strategic policies should also set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations. Once the strategic policies have been adopted, these figures should not need retesting at the neighbourhood plan examination, unless there has been a significant change in circumstances that affects the requirement.’*

3.5.3 At paragraph 1.17 of the Local Plan the importance of successful, local neighbourhood planning is emphasised. However, it is argued that adoption of NDPs prior to the Local Plan can render NDPs out of date, especially regarding land supply, where the minimum number of allocations to satisfy the Local Plan are not made.

3.5.4 Furthermore, changes to the Local Plan arising from consultation and/or examination can also make NDPs out of date.

3.5.5 Whilst parishes are encouraged to commence work on NDPs early to enable delivery in the early years of the Plan, NDPs are also required to be in conformity with an up-to-date Local Plan.

- 3.5.6 Consequentially, it may be necessary for ‘made’ NDPs in the Chichester Local Plan area to be reviewed on the adoption of the Local Plan.
- 3.5.7 The Local Plan is explicit in stating that each parish and respective NDP is required to make provision for the required number of dwellings outlined in the Local Plan, as referenced above in NPPF paragraph 66.
- 3.5.8 The Chichester Local Plan refers to 14 ‘made’ NDPs which identify specific housing sites. However, the Chichester District Council ‘Neighbourhood Planning’ website only appears to refer to 10 NDPs that have been made.
- 3.5.9 Policy H3 of the Plan refers to ‘Parish Housing Requirements’ for the Plan period (2021-2039), where a total of 310 dwellings are to be allocated through NDPs. These are as follows:

**Table 10. Local Plan Parish Housing Requirements, Indicative Housing Numbers**

Parish	Housing Figure
Boxgrove	50
Fishbourne	30
Kirdford	50
North Mundham	50
Plaistow and Ifold	25
Westbourne	30
Wisborough Green	75
<b>Total</b>	<b>310</b>

Source: Chichester Local Plan, Policy H3

- 3.5.10 In addition, to the above, policy H2 states that it is anticipated that NDPs will also identify sites for 790 dwellings, the details of which are in the table below.

**Table 11. Strategic Locations Identified in NDPs.**

Strategic Location	Dwellings
Chichester City	270
Nutbourne and Hambrook (Chidham and Hambrook Parish)	300
Loxwood	220
<b>Total</b>	<b>790</b>

Source: Chichester Local Plan, Policy H2

- 3.5.11 Finally, policy H2 also refers to 1,050 dwellings in the Southbourne Broad Location for Development (BLD). The policy states that a site within the BLD is to be allocated by either a NDP or a subsequent Site allocation DPD.



- 3.5.12 Excluding the 1,050 dwellings to be allocated in the Southbourne BLD, NDPs account for a total of 1,100 dwellings in the Local Plan, including the Southbourne BLD this totals 2,150. Including the 1,050 at Southbourne BLD, NDP allocations account for nearly 29% (28.6%) of total allocations.
- 3.5.13 Whilst the parish housing requirement figures in policy H2 and H3 are indicative, the allocations in NDPs outlined in tables 10 and 11 above, and excluding the Southbourne BLD, account for nearly 15% (14.7%) of total new allocations within the Local Plan.
- 3.5.14 As per the trajectory set out at Appendix E of the Local Plan, allocations in already ‘made’ NDPs are expected to start delivering in the monitoring period 2027-2028 (01.04.2027 - 31.03.2028).
- 3.5.15 The expected delivery is several years into the Plan period, which allows NDPs to allocate sites and ensure conformity with the emerging Local Plan, however, NDPs account for a reasonably large proportion of the supply of new housing in the Local Plan.
- 3.5.16 Upon inspection of the Chichester ‘Neighbourhood Planning’ website, the majority of the allocations to be made through NDPs are in ‘made’ NDPs. If NDPs are ‘made’, they are already part of the extant development plan for Chichester District.
- 3.5.17 However, there are 2 allocations where it is not clear whether an NDP is in place or in production. These 2 allocations amount to 1,100 dwellings and nearly 15% (14.7%) of all new dwellings on allocations.
- 3.5.18 The analysis of past delivery of housing allocated in NDPs will reveal how successful NDPs have been for delivering housing in the district. From anecdotal experience across England, NDPs are not typically a successful planning mechanism to bring forward housing sites.
- 3.5.19 The latest (2021/22) Chichester District Council (CDC) Authority Monitoring Report (AMR) contains detail on housing delivery as monitored by NDPs.
- 3.5.20 Table 12 provides a summary of the number of dwellings delivered by NDPs. The data is taken from the latest CDC AMR, however it is noted that the data is fairly limited and the latest AMR may not refer to all completions, or dwellings delivered by NDPs in the past.

**Table 12. NDPs dwelling delivery ads per the latest CDC AMR.**

Site (NDP)	No. of Dwellings Delivered
Birdham (NDP)	75
Southbourne Fields (Southbourne NDP)	125
Wisbournough (NDP)	51
Total	251

*Source: Latest CDC AMR*

- 3.5.21 The prescribed parish housing requirement for the Birdham NDP in the Adopted Local Plan is 50. Allocated sites within the Birdham NDP equate to 79 dwellings, 64 of which have been completed with a technical start on the scheme for the remaining 15.

- 3.5.22 In addition, the CDC AMR reports that 11 dwellings on windfall sites in the parish have also been completed.
- 3.5.23 For the Chidham and Hambrook the prescribed housing requirement is 25. The latest CDC AMR states that by the time the NDP was 'made', permission had been granted for 112 dwellings across various schemes and that a number of other developments have been permitted since the NDP was made, equating to 38 dwellings, with a scheme for 118 homes also permitted during the monitoring period. In addition, further applications are awaiting decision and appeal determination, equating to over 350 homes.
- 3.5.24 The Kirdford parish prescribed housing requirement is 60. The latest CDC AMR reports that a development of 54 dwellings commenced in August 2021, however there is no additional detail on the progress of the site in the latest CDC AMR.
- 3.5.25 The CDC AMR reports on the Loxwood NDP stating that one of two sites has been completed. However, there is no additional detail on progress towards meeting the parish indicative housing target of 60.
- 3.5.26 The Southbourne parish was prescribed an indicative housing requirement of 50. The latest CDC AMR available, suggests that the allocated site at Southbourne Fields for 125 dwellings was nearing completion at the time. The AMR also refers to another permitted scheme that is progressing at Breach Avenue equating to over 30 dwellings whilst the allocated sites at Priors Orchard and Meadowview were also either completed or nearing completion.
- 3.5.27 The Westbourne parish was prescribed a housing requirement of 25. There are 3 allocated sites in the Westbourne NDP, Land at Monks Hill (6), Land at Copse Lane (16) and Land at Chantry Lane (6). Together these allocations will have capacity for 28 dwellings, however, there is limited detail in the latest CDC AMR in relation to the progress of these sites.
- 3.5.28 The Wisborough parish area was prescribed a housing requirement of 60 dwellings where the latest CDC AMR refers to four allocated development sites within the Wisborough NDP.
- 3.5.29 The allocations, Greenways Nursery (10), Great Meadow (25), Clarks Yard (11), Winterfold (22) account for 68 dwellings between them.
- 3.5.30 The AMR reports that on these sites a total of 29 dwellings had been delivered as of March 2022 with a further 22 dwellings set for completion by August 2022 on a site where all properties had been sold at March 2022.
- 3.5.31 Therefore, from the information available and in a best-case scenario the allocations in the Wisborough NDP may have delivered 51 dwellings.
- 3.5.32 The CDC AMR suggests that the Clark's Yard allocation has seen little progression, however, the landowner has confirmed his intention to develop and wishes for the site to remain allocated in the

revised NDP. Nevertheless, the Wisborough NDP has not delivered the prescribed number of homes prescribed for the parish in the Chichester Local Plan.

- 3.5.33 It is noted that the review analyses the reasonably limited data in the CDC AMR and may not encompass every development, especially where details were not available in the latest CDC AMR., however, the analysis infers that c. 250 dwellings have been delivered.
- 3.5.34 Despite evidence of past delivery, the Council must also be aware of the risk of associated with NDPs and/or respective allocations not coming forward and the implications for housing delivery in the district.
- 3.5.35 Encouragingly, as outlined in the text of policy H2 'Strategic Locations/Allocations 2021-2039' and H3 'Parish Housing Requirements 2021-2039', the emerging Local Plan is explicit in that:
- 'If draft neighbourhood plans making provision for at least the minimum housing numbers of the relevant area have not been submitted for examination within 6 months of the adoption of this Local Plan, the Council will allocate sites for development within a Development Plan Document in order to meet the requirements of this Local Plan.'*
- 3.5.36 As a result, the wording of policy H2 and H3 the Council have included contingency if NDPs and associated allocations, do not come forward.

vii) Summary

- 3.5.37 It is noted that the review above only utilises the latest evidence on housing delivery from NDPs in the latest CDC AMR and therefore may not tell the complete story of delivery and completions from NDPs.
- 3.5.38 However, the review of the relatively limited data available, indicates that just over 250 dwellings have been completed (as per the latest CDC AMR). This equates to just over 29% (29.2%) of the original requirements prescribed to parishes in the Adopted Plan.
- 3.5.39 As above, it is noted that this analysis may not tell the whole story, however, from the evidence available, delivery equates to under a third of requirement where, in the case of the Birdham NDP, this also includes some windfall development.
- 3.5.40 The relatively limited detail available suggests that permissions have been granted for the provision of housing, in most cases, over and above the prescribed housing requirement, however, this does not necessarily equate to delivery.
- 3.5.41 For example, there is a heavy focus in the CDC AMR on what has been permitted within the Chidham & Hambrook NDP area, however, whilst a significant number of dwellings may have been granted permission, this does not always necessarily translate to completions further down the line.

- 3.5.42 Several updates on NDPs in the CDC AMR indicate that starts have been made on residential schemes, however in several cases starts were made 2 years ago with no detail of any further updates.
- 3.5.43 From the evidence available in the latest CDC AMR it is also clear that certain NDPs are delivering more housing than others, which can impact upon the effectiveness of the spatial strategy in the Plan.
- 3.5.44 The Council need to consider the above, as well as the ability to meet the housing needs of all those throughout the Plan area, when allocating land.
- 3.5.45 This is even more important in the emerging Local Plan where a lot of allocations are in close proximity to Chichester City.
- 3.5.46 Multiple allocations within close proximity may impact upon the ability of different developers to operate simultaneously in similar areas.
- 3.5.47 It should be noted that heavy reliance on NDPs, especially for the delivery of larger schemes, can potentially negatively impact upon the housing delivery of the Plan.
- 3.5.48 The analysis above further emphasises that anecdotal experience across England, indicates that NDPs are not typically a successful planning mechanism to bring forward housing sites.

### **3.6 The 5YHLS position throughout the Plan and the subsequent HDT predictions**

- 3.6.1 This section of the report reviews the current trajectory as at Appendix E of the Local Plan and provides an amended scenario where relevant, and previous delivery schedules were unrealistic.
- 3.6.2 As a result of the review this section also provides an indication of the likely 5YHLS position at various stages of the Plan, based upon the revised schedule.
- 3.6.3 The review only looked at those sites with an outline (but not detailed) planning permission, sites in NDPs and those sites not currently included in the 5YHLS.
- 3.6.4 Finally, the review also looked at several sites where the anticipated delivery in the current trajectory was deemed unrealistic.
- 3.6.5 The current trajectory includes 712 recorded completions for the 2021/2022 monitoring period.
- 3.6.6 The latest 2022/23 monitoring data is not available as yet, however the trajectory suggests that completions for the period will be 764 dwellings. Of these completions the trajectory suggests that 612 (80%) are sourced from 'Sites of 10+ dwellings currently under construction'. The remaining 20% was accounted for by sites with a range of size and various levels of permission.
- 3.6.7 The first element of the trajectory reviewed was those sites with outline permission.
- 3.6.8 The review of the sites included in the trajectory is as follows:
  - a) Land East Of Glenmore Business Park Longacres Way Chichester West Sussex
    - Site has O/L permission for the development of 23 assisted living apartments.

- O/L permission granted 21.01.2022 with 3 years to submit reserved matters application.

**Table 13. Council Site Trajectory vs LSH Site Trajectory**

	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33
Council	23	0	0	0	0	0	0	0	0
LSH	0	0	23	0	0	0	0	0	0

- There is no evidence to suggest that a reserved matters application has been submitted to date. Whilst this is expected, given the relatively recent outline approval, if it is assumed that 3 years will elapse prior to submission with a period before approval and given site lead in times and preparation, it is assumed that development will commence on site at the earliest in the 2026/27 monitoring period.

b) Graylingwell Hospital

- Site has O/L permission for 60 dwellings listed in the trajectory.
- O/L permission was granted 21.03.2018 with the development permitted to be begun. 'before the expiration of 2 years from the date of approval of the last of the reserved matters to be approved.'

**Table 14. Council Site Trajectory vs LSH Site Trajectory**

	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33
Council	0	0	60	0	0	0	0	0	0
LSH	0	0	0	60	0	0	0	0	0

- Whilst reserved matters applications have been submitted and a couple approved, several are still pending determination, with the latest validated in November 2022.
- As per the decision notice of the outline permission the applicant was given 10 years to submit applications for all reserved matters, given the 'current economic climate'.
- As a result, the assumption that 60 dwellings will come forward as early as 2026/27, is very optimistic.
- As a result it is suggested that delivery of the scheme is pushed back by 1 year as illustrated by the above table.

c) Land South Of Loxwood Farm Place High Street Loxwood

- Site has O/L permission for 24 residential dwellings.
- O/L planning permission was granted in October 2020 with 3 years to submit a reserved matters application.

**Table 15. Council Site Trajectory vs LSH Site Trajectory**

	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33
Council	0	0	0	12	12	0	0	0	0
LSH	0	0	0	0	12	12	0	0	0

- A reserved matters application was submitted and validated on 14.07.2021.
- The reserved matters application is pending consideration with an extension of time agreed to 31.05.2023.
- As a result, given the above, as well as site preparation and lead in times, it is recommended that the trajectory is delayed by a year, as illustrated above.
- This is further evidenced by development proformas and schedules and Statements of Common Ground (SoCGs), provided by the Council, which do not demonstrate any evidence of deliverability or any meaningful progress on site.

3.6.9 The review of the trajectory also looked at those sites in NDPs.

3.6.10 Several of the sites in the housing trajectory that are in made NDPs are anticipated to start delivering until 2027/28.

3.6.11 The anticipated adoption date of the Local Plan is for Summer/Autumn 2024 and NDPs may need to be reviewed to ensure conformity with the Plan. In order to allow some time for slippage and review of respective NDPs, it is anticipated that the current time between Local Plan adoption and anticipated delivery of NDP sites will not be sufficient.

3.6.12 Consequentially it is suggested that the trajectory regarding the delivery of those NDP sites where development commencement was anticipated for 2027/28, is pushed back.

3.6.13 The table below illustrates the Council's trajectory against that of LSH for each of the respective sites in made NDPs the trajectories for which require amending.

**Table 16. NDP Sites – Council Site Trajectory vs LSH Site Trajectory**

	2027/28	2028/29	2029/30	2030/31	2031/32	2032/33	2033/34	2034/35	2035/36
<b>Land to the West of Malcolm Road (Tangmere)</b>									
Council	12	0	0	0	0	0	0	0	0
LSH	0	12	0	0	0	0	0	0	0
<b>Land adjacent to Chantry Hall, Foxbury Lane (Westbourne)</b>									
Council	6	0	0	0	0	0	0	0	0
LSH	0	6	0	0	0	0	0	0	0
<b>Land to the west of Monk's Hill (Westbourne)</b>									
Council	6	0	0	0	0	0	0	0	0
LSH	0	6	0	0	0	0	0	0	0

<b>Old Granary (Boxgrove)</b>									
Council	3	0	0	0	0	0	0	0	0
LSH	0	3	0	0	0	0	0	0	0
<b>Clark's Yard, Billingshurst Road (Wisborough Green)</b>									
Council	11	0	0	0	0	0	0	0	0
LSH	0	11	0	0	0	0	0	0	0

3.6.14 The review also looked at the trajectories for those sites that are not currently included within the 5YHLS. There are a total of 9 such sites in the trajectory which between them account for just over 480 dwellings. All of the sites have either outline or full permission and the details of those sites whose trajectories require amendment are listed below.

- a) Land To The West Of Church Road Church Road West Wittering West Sussex
- The site has outline permission for 70 dwellings that was granted at appeal on 22.04.2022.
  - The applicant had 2 years to submit reserved matters from the date of the appeal decision.

**Table 17. Council Site Trajectory vs LSH Site Trajectory**

	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33
Council	0	10	20	20	20	0	0	0	0
LSH	0	0	0	0	12	48	10	0	0

- There is no evidence to suggest that a reserved matters application has been submitted to date. Whilst this is expected, given the relatively recent outline approval, if it is assumed that 2 years will elapse prior to submission with a period before approval and given site lead in times and preparation, it is assumed that development will commence on site at the earliest in the 2028/29 monitoring period.
  - This is further evidenced by development proformas and schedules and SoCGs, provided by the Council, which do not demonstrate any evidence of deliverability or any meaningful progress on site.
- b) Land Within The Westhampnett / North East Chichester SDL (north Of Madgwick Lane)
- The site has O/I permission for 165 dwellings which was granted at appeal on 27.05.2022.
  - The applicant had 3 years in which to submit reserved matters for approval.

**Table 18. Council Site Trajectory vs LSH Site Trajectory**

	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33
Council	0	20	40	40	40	25	0	0	0
LSH	0	0	0	0	30	50	50	35	0

- There is no evidence to suggest that a reserved matters application has been submitted to date. Whilst this is expected, given the relatively recent outline approval, if it is assumed that 3 years will elapse prior to submission with a period before approval and given site lead in times and preparation, it is assumed that development will commence on site at the earliest in the 2028/29 monitoring period.
- This is further evidenced by development proformas and schedules and SoCGs, provided by the Council, which do not demonstrate any evidence of deliverability or any meaningful progress on site.

c) Earnley Concourse Clappers Lane Earnley

- The site has O/L permission for 30 dwellings which was granted at appeal on 30.05.2022.
- The applicant had 3 years in which to submit the reserved matters from the appeal decision date.

**Table 19. Council Site Trajectory vs LSH Site Trajectory**

	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33
Council	0	15	15	0	0	0	0	0	0
LSH	0	0	15	15	0	0	0	0	0

- There is no evidence to suggest that a reserved matters application has been submitted to date. Whilst this is expected, given the relatively recent outline approval, if it is assumed that 3 years will elapse prior to submission with a period before approval and given site lead in times and preparation, it is assumed that development will commence on site at the earliest in the 2026/27 monitoring period. This is in a best-case scenario; however the size of the scheme allows for an optimistic trajectory.

d) Land south of Clappers Lane, Earnley

- Site has O/L permission for 100 dwellings which was granted at appeal on 19.08.2022.
- The applicant had 3 years to submit reserved matters approval from the date of the appeal decision.

**Table 20. Council Site Trajectory vs LSH Site Trajectory**

	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33
Council	0	20	20	20	20	20	0	0	0
LSH	0	0	0	20	20	20	20	20	0

- There is no evidence to suggest that a reserved matters application has been submitted to date. Whilst this is expected, given the relatively recent outline approval, if it is assumed that 3 years will elapse prior to submission with a period before approval and given site



lead in times and preparation, it is assumed that development will commence on site at the earliest in the 2027/28 monitoring period. Furthermore, with the other site at Earnley, Concourse, it is unlikely that both schemes will progress at the same time.

- e) Chas Wood Nurseries, Main Road, Bosham
- Site has O/L permission for 26 dwellings which was granted at appeal on 17.10.2022.
  - The applicant had 2 years to submit reserved matters for approval from the date of the appeal decision.

**Table 21. Council Site Trajectory vs LSH Site Trajectory**

	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33
Council	0	13	13	0	0	0	0	0	0
LSH	0	0	13	13	0	0	0	0	0

- There is no evidence to suggest that a reserved matters application has been submitted to date. Whilst this is expected, given the relatively recent outline approval, if it is assumed that 2 years will elapse prior to submission with a period before approval and given site lead in times and preparation, it is assumed that development will commence on site at the earliest in the 2026/27.

3.6.15 The final part of the trajectory review looked at the schedules for the proposed allocations to establish if the respective trajectories were realistic attainable.

3.6.16 Those site trajectories requiring review are outlined below.

- a) Southbourne Broad Location for Development
- A broad location for development (BLD) is identified in the Local Plan with a site to be allocated within this BLD for 1,050 dwellings.
  - The BLD allocation represents over 10% of the total supply of housing for the Plan period.
  - The Council’s proposed trajectory for the site is set out below against a revised trajectory for the site as suggested by LSH.

**Table 22. Council Site Trajectory**

	28/ 29	29/ 30	30/ 31	31/ 32	32/ 33	33/ 34	34/ 35	35/ 36	36/ 37	37/ 38	38/ 39
Council	50	100	100	100	100	100	100	100	100	100	100
LSH	0	0	50	100	100	100	100	100	100	100	100

- The proposed trajectory from the Council sees development of the site commence in 2028-2029 (01.04.2028-31.03.2029), with the completion of 50 dwellings and 100 dwellings every year of the Plan period up to 2039 thereafter.

- Primarily, projected development start of 2028/29 on the site for 1,050 dwellings is very ambitious given the proposed date of adoption of the Plan in Summer Autumn 2024 and the evidence of lead in times, see below.
- It is anticipated that such a such a considerable site will require detailed policies, conditions, parameters and master planning prior to even being allocated as part of allocation in an NDP or development allocation plan.
- Secondly, any application for development on the site will likely be the subject of several pre-application meetings and will likely have a multitude of pre-commencement conditions imposed.
- For instance, if the Plan is adopted early in the 2024/25 period, it is likely, assuming work commences immediately, that a further 2 years, as a minimum, would elapse before any Neighbourhood Development Plan (NDP) or Site Allocation Development Management Plan (SADMP) would be produced and adopted.
- Given the number of dwellings proposed, it is likely that significant master planning on a very technical site, accounting for over 10% of the total supply, will mean a further 4 and half years will elapse whilst permission is secured.
- Consequentially, there may be some delivery in the 2030/31 period, with 50 dwellings at most.
- Furthermore, the completions figure of 100 dwellings per annum, every year after the initial development year, is very ambitious. Currently there is no evidence that the site will be divided up into parcels that can be developed simultaneously by a range of developers, however, the anticipated delivery is likely only obtainable of a site with several parcels and developers, as has been experienced on the West of Chichester SDL, part 1.
- If there was evidence that prospective developers were in liaison over the site with the Council, there may be justification for the ambitious build rate, however, there is no evidence to suggest this.
- As per the analysis in section 2 of the 'Five Year Housing Land Supply Review' report of November 2022, for sites of 500+ dwellings, lead in times averaged 3.31 years with annual delivery of 101.2 dwellings per year. In order to achieve a build rate of any more than 100 dwellings per annum it is suggested that 2 developers would need to operate simultaneously.
- It is therefore recommended that the Council revisit and review the proposed trajectory.
- The Local Plan suggests that the Southbourne BLD will be 'identified through either the neighbourhood planning process or subsequent Site Allocation DPD'.

- Given that this significant site represents over 10% of the total supply of housing for the emerging Plan, the Council should consider the impact of devolving the policy making for the allocation, with the anticipated numerous development management policies, conditions and parameters to neighbourhood planning groups through an NDP.

3.6.17 The revised trajectories have implications for the 5YHLS position of the Council throughout the Plan period.

3.6.18 The table below provides an estimated and indicative 5YHLS position of the Plan throughout its life as based upon the Councils' original trajectory as set out in Appendix E of the Plan.

**Table 23. 5YHLS Position during Plan, as per original Council trajectory**

	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34
Projected 5YHLS	3,229	3,065	3,050	3,052	3,111	3,130	3,148	3,083	2,898	2,741	2,499	2,273
Adjusted Five Year Housing Req.	3,019	3,019	3,019	3,019	3,019	3,019	3,019	3,019	3,019	3,019	3,019	3,019
Projected 5YHLS Position	5.35	5.08	5.05	5.06	5.15	5.18	5.21	5.11	4.80	4.54	4.14	3.76
Projected HDT Result	128%	126%	122%	108%	103%	100%	109%	111%	110%	108%	106%	108%

3.6.19 The table above reveals that the Council are set to be able to demonstrate a 5YHLS upon anticipated Plan adoption in Summer/Autumn 2024.

3.6.20 Furthermore, as per the Council trajectory, they will be able to demonstrate a 5YHLS up until the 2030/31 monitoring period.

3.6.21 Unsurprisingly as the housing need and requirement remain the same but as supply starts to dwindle towards the end of the Plan period, the housing supply begins to fall below 5 years.

3.6.22 However, for the first 3 years that the 5YHLS drops below 5, it does not drop below 4.

3.6.23 It is only in 2033/34 that supply drops below 4 years.

3.6.24 Table 23 above also provides an indicative and projected HDT result for the monitoring periods listed, as per the revised LSH trajectory.

- 3.6.25 The indicative and projected HDT results are calculated by dividing the three years' worth of the total housing supply as per the LSH revised trajectory, by three years' worth of requirement.
- 3.6.26 For the first two calculations (128% and 126%) the latest 2021 HDT results have been used to establish the supply as well as the Council's recorded completion figure for 2021/22. Every calculation thereafter this, uses the projected supply.
- 3.6.27 Evidently, as per the above table the Council will never face a consequence of the HDT test
- 3.6.28 However, the above trajectory is based upon the original trajectory as per the Local Plan.
- 3.6.29 The above review has revealed that the original trajectory is fairly optimistic in places and the table below represents an alternative 5YHLS position based upon the revised trajectory.

**Table 24. 5YHLS Position during Plan, as per the LSH revised trajectory.**

	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34
Projected 5YHLS	2,825	2,780	2,790	2,957	3,148	3,188	3,153	2,983	2,796	2,499	2,273	2,056
Adjusted Five Year Housing Req.	3,019	3,019	3,019	3,019	3,019	3,019	3,019	3,019	3,019	3,019	3,019	3,019
Projected 5YHLS Position	4.68	4.60	4.62	4.90	5.21	5.28	5.22	4.94	4.63	4.14	3.76	3.41
Projected HDT Result	128%	126%	120%	102%	90%	88%	99%	108%	109%	112%	111%	111%

- 3.6.30 The LSH review and table above reveals that the Council would not be able to demonstrate a 5YHLS upon anticipated Plan adoption in Summer/Autumn 2024. However, at 4.60 5YHLS, the shortfall will not be insurmountable.
- 3.6.31 The trajectory reveals that the Council will first be able to demonstrate a 5YHLS 2026/27 and then for 2 years thereafter, however, this then drops to 4.94 in 2029/30.
- 3.6.32 The inability to demonstrate a 5YHLS upon Plan adoption, reflects the pushing back of the somewhat optimistic original trajectory.
- 3.6.33 As with the original trajectory, unsurprisingly as the housing need and requirement remain the same but as supply starts to dwindle towards the end of the Plan period, the housing supply begins to fall below 5 years and eventually below 4 years.

- 3.6.34 Table 24 above also provides an indicative and projected HDT result for the monitoring periods listed, as per the revised LSH trajectory.
- 3.6.35 The indicative and projected HDT results are calculated by dividing the three years' worth of the total housing supply as per the LSH revised trajectory, by three years' worth of requirement.
- 3.6.36 For the first two calculations (128% and 126%) the latest 2021 HDT results have been used to establish the supply as well as the Council's recorded completion figure for 2021/22. Every calculation thereafter this, uses the projected supply.
- 3.6.37 Evidently, as per the above table and LSH review, the Council will rarely face a consequence of the HDT test where on two occasions (2026/27 and 2027/28) the Council will be required to produce an action plan, outlining mechanisms aimed at addressing the shortfall.

### **3.7 Recommendations**

- 3.7.1 We have reviewed national policy and guidance, recent Local Plan Inspector reports and the Council's proposed Local Plan and evidence base. Following this review, we consider that there are several alterations that the Council could make in relation to the proposed housing trajectory.
- 3.7.2 Primarily, we recommend that the trajectory is revisited and reviewed as per the advice provided in section 2 of the 'Five Year Housing Land Supply Review' report of November 2022.
- 3.7.3 In many instances in the Council trajectories include very ambitious start dates and equally ambitious build rates, especially on some larger sites where there is no evidence that sites will be split into parcels allowing developers to work simultaneously.

## 4.0 WINDFALL ALLOWANCE FOR THE LOCAL PLAN

### 4.1 Overview

4.1.1 Local Planning Authorities are required to determine the minimum number of homes needed over a Plan period as part of Plan production. The supply of new housing can come from sources such as allocations, however windfall sites also have an important role to play.

4.1.2 The National Planning Policy Framework (NPPF) encourages the use of small sites stating that they can contribute to meeting the housing requirement of an area.

4.1.3 The definition of a 'windfall site' in NPPF is as follows:

*'Sites not specifically identified in the development plan'*

4.1.4 At paragraph 69 the NPPF states that local planning authorities should:

*'support the development of windfall sites through their policies and decisions – giving great weight to the benefits of using suitable sites within existing settlements for homes''*

4.1.5 Given the support for windfall sites in the NPPF, the Council sought a review of relevant policy in the Local Plan Review and a review of the current allowance.

### 4.2 National Planning Policy and Guidance

4.2.1 This section sets out the relevant national policy and guidance on windfall allowances.

viii) Windfall Allowance

4.2.2 Chapter 5 – Delivering a sufficient supply of homes, of the NPPF, states that where a windfall allowance is made, and considered part of the anticipated supply, that this should be clearly evidenced.

4.2.3 The NPPF states:

*'Any allowance should be realistic having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends.'*

4.2.4 However, the NPPF also goes on to suggest that Plan policy should resist inappropriate development such as that in residential gardens, where there is potential harm involved for the local area.

ix) Windfall Assessments

4.2.5 The Planning Practice Guidance (PPG) echoes the NPPF in stating that a windfall allowance must be justified and evidenced.

4.2.6 However, the PPG also states that any potential windfall allowance should be identified, evidenced and justified in a Housing Land Availability Assessment.

4.2.7 Ultimately, the development potential of all sites (including a windfall allowance) should then help produce an indicative trajectory for supply in the future

x) Summary

4.2.8 Both the NPPF and PPG state that windfall allowances can be used where they are evidenced and justified.

4.2.9 The PPG suggests that windfall allowances should be informed by housing land supply assessments and the NPPF suggests that they should also consider historic windfall delivery rates and expected future trends.

### 4.3 Review of relevant Local Plan Inspector reports and windfall allowances

4.3.1 We have carried out a review of Local Plan Inspector reports which have all found the relevant submitted Local Plan sound. The Plans reviewed are those only found sound since 2021 and excludes plans submitted prior to 2018. Plans which were only reviews of extant development plans, less than 5 years old, were excluded. A total of 24 Local Plans and Inspector reports were reviewed, of these 4 were not of relevance, or the inspector report was not available. The list of 24 Plans reviewed is set out in the table below.

**Table 25. Local Plan Inspector Reports Reviewed**

Local Planning Authority	Date Local Plan Submitted for Examination	Date Local Plan Found Sound	Date Plan Adopted	Notes
Brent, London Borough of	17/03/2020	17/01/2022		Windfall development potential is significant. Identified sites and reasoned windfall delivery assumptions are realistic. Unconventional approach to assessment, however it is based upon evidence and aligns with London Plan. Cautious approach justified due to a lack of evidence.
Brentwood Borough Council	17/02/2020	23/02/2022	23/03/2022	62dpa from windfall sites based upon historic evidence where net windfall completions were recorded as over 80. However, cautious windfall allowance is justified and supported.
Castle Point District Council	02/10/2020	03/03/2022		Compelling evidence to justify continued supply of windfall sites to the extent of 600 homes over the remaining Plan period.
Darlington Borough Council	22/12/2020	28/01/2022	17/02/2022	Various modifications to ensure that that the plan is consistent, clear and based upon the latest available evidence. Primarily, that policy in the Plan refers to the allowance which is illustrated in the trajectory. Otherwise, windfall allowance justified on past delivery rates and evidence.

Dartmoor National Park - Local Plan Review	21/09/2020	01/11/2021	03/12/2021	Proposed windfall allowance is a realistic estimate based on data in previous AMRs. These indicate that past delivery on windfall sites exceeds assumptions made in the Plan's housing trajectory.
Doncaster Metropolitan Borough Council	04/03/2020	30/06/2021	23/09/2021	Housing supply makes no allowance for windfalls despite evidenced past delivery and policies that are supportive of development on non-allocated sites in the Plan. There is compelling evidence that windfalls will continue to be a source for new homes. Main mod to include a cautious windfall allowance due to compelling evidence and to delay commencement of windfall allowance to avoid double counting.
Eastleigh Borough Council	31/10/2018	14/03/2022	25/04/2022	Compelling evidence that windfall allowance is reliable source of supply and is a justified and evidenced-based approach.
Folkestone & Hythe District Council - Core Strategy Review	10/03/2020	23/02/2022	30/03/2022	Does not deal with windfall allowances
Fylde Borough Council - Local Plan Review	21/10/2020	21/10/2021		Sufficient allowance identified.
Halton Borough Council - Delivery & Allocations Local Plan	05/03/2020	22/02/2022	02/03/2022	Main Mod for inclusion of windfall allowance that is based upon monitoring which demonstrates constant delivery. Windfall allowance delayed to avoid double counting.
Hambleton District Council	31/03/2020	19/01/2022	22/02/2022	Positive approach whereby settlement boundaries are removed to allow suitable windfall sites within and at the edge of villages. This facilitates windfall development in rural areas. Particularly relevant in predominantly rural authority.
Ipswich Borough Council - Local Plan Review	10/06/2020	17/02/2022	23/03/2022	Inclusion of windfall allowance based upon compelling evidence on past delivery and future trends. Main Mod to delay windfall allowance commencement, in order to avoid double counting. Windfall allowance only refers to small sites as it is not anticipated that large windfall site will come forward in the first 5 years of the Plan.



Isles of Scilly Council	30/09/2019	23/02/2021	25/03/2021	No direct reference to windfall allowance, but policy support is provided in the Plan.
Lake District National Park	01/08/2019	15/03/2021	19/05/2021	Report not available
Lambeth, London Borough of - Local Plan Review	22/05/2020	22/07/2021	22/09/2021	Windfall allowance and estimates based upon robust evidence including past delivery rates.
Northumberland Council	29/05/2019	26/01/2022	31/03/2022	Windfall allowance represents a reasonable average from previous years, and future supply is likely to be realistic given the size of Northumberland and policies which allow for development outside settlement boundaries or adjacent to settlements with no boundary. Realistic build out rates, lead in times and lapse rates have been applied.
Old Oak and Park Royal Development Corporation	04/10/2018	01/04/2022	22/06/2022	Does not deal with windfall allowances
Rossendale Borough Council	25/03/2019	19/11/2021	15/12/2021	Cautious/Modest windfall allowance based upon past delivery rates. Windfall allowance/rate applied later in Plan to avoid double counting.
Southwark, London Borough of - New Southwark Plan	16/01/2020	17/11/2021		Windfall allowance based upon past delivery is reliable and commences in year 4/5 to avoid double counting.
St Helens Metropolitan Borough Council	29/10/2020	18/05/2022	12/07/2022	Small sites windfall allowance justified by compelling evidence where an allowance for larger windfall sites would not be warranted as bigger sites are captured by the SHLAA. Therefore there is no double counting.
Watford Borough Council	06/08/2021	20/09/2022	17/10/2022	Main Mod to allow windfall sites in all parts of authority, subject to satisfying other policy. Windfall allowance application later in the plan also avoids double counting.
Westminster, City of (City Plan 2019-2040)	19/11/2019	19/03/2021	21/04/2021	Review of windfall allowance undertaken at the Inspectors request. Windfall allowance will take effect from 6 years into plan. Described as a comprehensive assessment which takes a realistic view of past delivery.
Worthing Borough Council	11/06/2021	14/10/2022		Use of the average completions on windfall sites is not unreasonable despite a lot of fluctuation over the period used. Compelling evidence that windfall allowance is achievable, and within 5 years.

Wyre Forest District Council - Local plan Review	30/04/2020	11/03/2022	26/04/2022	Evidence on past delivery justifies allowance. Plan policy also enables provision throughout the Plan area.
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- 4.3.2 Following our review of these recently examined Local Plans, which have been found sound there are several key points which need to be considered with respect to windfall allowances.
- 4.3.3 In most of the reports, the Inspector supported windfall allowances where such allowances are based upon robust and up to date evidence of past rates of delivery. In fact, where there was evidence of past delivery, the Inspector requested that a windfall allowance be included, where it was not originally. This was the case for both Doncaster Metropolitan Borough Council and Halton Borough Council.
- 4.3.4 In the instances where main modifications were applied in relation to windfall allowances it was largely in relation to the clarification of policy to ensure consistency with trajectories. There were also main modifications in relation to the provision of further detail, including the latest available evidence, and in relation to provision throughout the whole Plan area.
- 4.3.5 There is evidence of support for delayed windfall allowance trajectories in recognition that these sites typically do not come forward initially and to avoid double counting. In one instance an Inspector requested this as a main modification.
- 4.3.6 In general, there was support for more cautious and modest approaches, especially where there was a lack of supporting evidence.
- 4.3.7 Furthermore, it was acknowledged in the Brent Inspectors Report that an unconventional approach to assessment was found sound, provided that approach is evidence based. The approach was unconventional in that Brent seemed to adopt an ambitious target that was above evidenced supply. However, the Inspector found that it was reasonable to assume that capacity on small sites particularly in Growth areas and Intensification corridors could increase during the Plan period.
- 4.3.8 In the case of Hambleton District Council, policy to remove development boundaries entirely to help with provision of windfall sites was also found sound, provided that potential sites met other relevant Plan policy and criteria. It was noted that this was applicable in this case due to the rural; nature of the Plan area.
- 4.3.9 On this note, there was also support for a specific policy which enabled provision from windfall sites throughout the Plan area. The specific policy was in relation to the potential removal of settlement boundaries to facilitate windfall development in a predominantly rural council.

#### 4.4 Recommendations

- 4.4.1 We have reviewed national policy and guidance, recent Local Plan Inspector reports and the Council's proposed Local Plan and evidence base. Following this review, we consider that there are several alterations that the Council could make in relation to the windfall allowance.
- 4.4.2 It is acknowledged that the Council's latest 5YHLS position statement suggests that the windfall allowance will commence delivery in year 4.
- 4.4.3 This is an approach consistent with that demonstrated by the review of the Inspector reports above, in that the delivery of dwellings from windfall sites is delayed, to avoid double counting.
- 4.4.4 However, in many cases windfall sites can come forward prior to the delivery of allocations, and in some cases delaying or preventing the delivery of allocations.
- 4.4.5 This can prove problematic for the electricity and highway network as well as local facilities, the capacity of which is based around allocations.
- 4.4.6 The Plan states that windfall sites have been and are an important element in the supply of housing in the area, with several references throughout the Plan. However, there is no specific policy for the actual delivery of any potential windfall sites, only brief references to their role in the supply of housing. Consequentially, it is recommended that the Plan includes a specific windfall policy.
- 4.4.7 The Plan, as is, does not contain a policy to help guide decision makers and/or applicants in dealing with potential windfall development. This is contrary to the tests of soundness, in particular, tests a) 'Positively prepared' and test d) 'Consistent with national policy'.
- 4.4.8 A windfall policy in the Plan would help in situations where there is no 5YHLS whereby a criteria-based approach may help in determining planning applications.
- 4.4.9 Windfall policy is a tried and tested approach and helpful in allowing appropriate and proportionate development but also at preventing inappropriate speculative development.
- 4.4.10 For instance, whether on greenfield or brownfield sites, windfall development would need to demonstrate that it would not negatively impact upon the capacity of the network, as referenced above, to the detriment of any allocations.
- 4.4.11 To this end, the current windfall allowance of 657 over the plan period suggests that it would be the total amount of development that is outside of any identified allocations, given the lower than LHN figure being used for the housing requirement. For any windfall development proposed a criteria-based tests should be used, in particular when the LHN and/or expected windfall figure is being reached. In this instance, applicants would need to demonstrate either:
- a) There is capacity within the existing network; or
  - b) That any allocated sites are not deliverable/developable and therefore that network capacity is released.

- 4.4.12 Ultimately, the above may have the secondary effect of encouraging developers to progress sites and development to ensure that network capacity is not relinquished to other developers. This may help in timely delivery of the Plan and its allocations.
- 4.4.13 The section on the provision of affordable housing below emphasises the need for affordable housing identified by the HEDNA, in particular for affordable rented dwellings.
- 4.4.14 In light of this, any potential windfall policy could request the provision of affordable housing products on site, with potential to include requirement for 100% affordable housing.
- 4.4.15 The delivery of affordable housing may help in the delivery of affordable rented dwellings, of which there is an anticipated shortfall in the Plan compared to the HEDNA, as outlined in the affordable housing provision section below.
- 4.4.16 In the case of Hambleton District Council, Plan policy *'removes settlement boundaries and allows suitable windfall sites to come forward within, and, on the edge of villages.'* as per the Inspectors report.

#### **4.5 Overview of the proposed Local Plan Review Policy and 5YHLS position statement**

- 4.5.1 Policy S2 'Settlement Hierarchy' suggests that development requirements for the different areas within the Plan will be met through the allocation of sites but notes that windfall sites (that are in accordance with relevant Local Plan policy) can also contribute.
- 4.5.2 Policy S2 also includes a presumption in favour of sustainable development within settlement boundaries. The policy also states that all the settlement boundaries are to be reviewed as part of the Local Plan review.
- 4.5.3 The contextual text to policy H1 'Meeting Housing Needs' suggests that the supply of housing in the Local Plan includes that from windfall sites and a windfall allowance.
- 4.5.4 Policy H1 of the Local Plan states that the, small site windfall allowance for the Plan period (1st April 2021 to 31st March 2039) is 657 dwellings. This equates to 6.3% of the total housing requirement and 6.4% of the total supply of housing identified for the Plan period.
- 4.5.5 However, the supporting text to Policy H2 'Strategic Locations/ Allocations 2021 – 2039' and policy H3 'Housing Requirements 2021 – 2039' states that any developments of less than 6 dwellings will not be counted against parish requirements as these have already been accounted for in the windfall allowance.
- 4.5.6 Support for windfall development in the Local Plan is evident in policy allowing windfall sites to come forward and where an allowance for small windfall sites is included in the Plan. However, the windfall allowance differs to advice provided by LSH recently. The windfall analysis conducted by LSH on behalf of Chichester District Council provided further guidance on a suitable windfall allowance for the 5 Year Housing Land Supply.

- 4.5.7 The LSH assessment reviewed the total amount of windfall completions as a proportion of total completions to establish past rates of delivery in order to establish future trends in delivery and a suitable allowance.
- 4.5.8 The analysis revealed a relatively high amount of fluctuation during the period 2011/12 to 2021/22 where delivery ranged from 139 dwellings in 2013/14 to 581 dwellings in 2018/19. The average delivery over the period was 390.4 per annum.
- 4.5.9 The average delivery analysed would suggest that a reasonably high allowance should be considered, and the subsequent 5YHLS assessment utilises the recommendation.
- 4.5.10 The latest available Chichester 5YHLS position statement from April 2022 states that analysis of evidence from the previous ten years reveals that there has been consistent delivery of major and minor windfall sites.
- 4.5.11 The allowance outlined in the 5YHLS position statement identifies an allowance for 54dpa for minor sites and 112dpa for major sites, equating to 166 dwellings. the delivery of which commences in year 4.
- 4.5.12 The approach taken in this case in the 5YHLS assessment reflects the advice provided by LSH in the windfall assessment. However, the windfall allowance in the Local Plan differs to the advice previously provided by LSH.
- 4.5.13 Policy H1 of the Local Plan states that the, small site windfall allowance for the Plan period (1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2039) is 657 dwellings. This equates to 6.3% of the total housing requirement and 6.4% of the total supply of housing identified for the Plan period.
- 4.5.14 The housing trajectory of the Local Plan at Appendix E #suggests that the first windfall delivery is anticipated in 2025/2026.
- 4.5.15 Given that the Local Development Scheme (LDS) has Adoption of the Local Plan in the Summer/Autumn of 2024, the planned delivery from windfall sites would commence in the following monitoring period.
- 4.5.16 As per above, the delivery of windfall sites may delay the delivery of allocations due to network capacity constraints. Given the role of new allocations in delivering housing in the Local Plan, it is recommended the housing trajectory is amended to reflect this and delay the anticipated delivery of windfall sites.
- 4.5.17 However, on Adoption and when relevant policy is in place, it will become increasingly difficult to stop the development of windfall sites that are policy compliant, with the potential for appeal on the grounds of non-determination and refusal adding pressure.

xi) Summary

- 4.5.18 Local plan policy recognises the importance of windfall development as part of the housing supply in the Local Plan, through policy that fosters windfall development as well as the inclusion of small site windfall allowance in the overall housing supply.
- 4.5.19 The latest 5YHLS assessment windfall allowance replicates the advice previously provided by LSH, in the windfall assessment.
- 4.5.20 Whilst there is a small site windfall allowance in the Local Plan, this disregards evidence and recommendations previously provided by LSH and does not account for larger windfall sites.
- 4.5.21 The next section of this report provides what is deemed to be an appropriate windfall allowance for the Local Plan.

#### **4.6 An appropriate windfall allowance for the Local Plan**

- 4.6.1 The windfall assessment undertaken by LSH previously concluded that a minor windfall allowance of 54dpa with a major windfall allowance of 112dpa should be applied to years 4 and 5 of the 5YHLS assessment.
- 4.6.2 Given section 3 of the Five Year Housing Land Supply Review of November 2022, it was provided a summary of the supply of windfall allowances to be carried forward.
- 4.6.3 The table provided in the report is below and contains the typologies that should be carried forward.
- 4.6.4 From this it is recommended that the windfall allowance is increased, as the Council’s current windfall allowance of 657 only accounts for small sites, when it is clear from the table below, that some larger windfall sites from residential conversions (10-50) have also formed a reliable source of supply, in addition to all minor site typologies.

**Table 26. Windfall completions total 2011/12-2021/22 – step 4 summary**

<b>Year</b>	<b>AGRICULTURAL</b>	<b>BUSINESS</b>	<b>GARDEN</b>	<b>OFFICE</b>	<b>RESIDENTIAL</b>
<b>0-9 dwellings</b>	Carried forward	Carried forward	Carried forward	Carried forward	Carried forward
<b>10-50 dwellings</b>	Carried forward	Excluded	Excluded	Excluded	Carried forward
<b>51-100 dwellings</b>	Excluded	Excluded	Excluded	Excluded	Excluded
<b>101-250 dwellings</b>	Carried forward	Excluded	Excluded	Excluded	Excluded
<b>250+ dwellings</b>	Excluded	Excluded	Excluded	Excluded	Excluded

- 4.6.5 Given that the Local Plan allocates larger and more strategic sites, it is recommended that a minor windfall allowance is upheld but a major windfall allowance is also included, for those sites which are likely to be PDL development within settlement boundaries (residential conversions of 10-50 dwellings).

- 4.6.6 As a result, it is recommended that the Local Plan contains a minor windfall allowance of 54dpa, as per the assessment conclusion, and a major windfall assessment of 6dpa.
- 4.6.7 This would equate to 60dpa windfall allowance for the Plan and 1,080 for the Plan period. Of this, there is an allowance for 972 dwellings on minor windfall sites throughout the Plan period, with 108 dwellings from major windfall sites.

## 5.0 OLDER PERSONS HOUSING – MEETING THE NEED

### 5.1 Overview

5.1.1 Local Planning Authorities are required to determine the minimum number of homes needed over a Plan period as part of Plan production where any strategic housing policy should be informed by a local housing need assessment. In this context, the mix and tenure of housing must also be considered and reflected in policy, to address all market needs within the area. For the purposes of this section, this includes the needs of older people.

5.1.2 The National Planning Policy Framework (NPPF), defines older people as:

*‘People over or approaching retirement age, including the active, newly retired through to the very frail elderly; and whose housing needs can encompass accessible, adaptable general needs housing through to the full range of retirement and specialised housing for those with support or care needs.’*

5.1.3 Given the requirement to meet the housing needs of older people set out in national policy, the Council sought a review of the local evidence base, including the HEDNA, national evidence and baseline review as well as a national policy review.

5.1.4 Further guidance was then sought on local policy targeted to address this need and a consideration of additional policy to target unmet need.

### 5.2 National Planning Policy and Guidance

5.2.1 This section sets out the relevant national policy and guidance on meeting the housing needs of older people.

*xii) Delivering a sufficient supply of homes and older people*

5.2.2 Chapter 5 – Delivering a sufficient supply of homes, of the NPPF, states that in order to support the Government’s objective of delivering more homes, identifying a variety and sufficient supply of land that can come forward is integral. Furthermore, the NPPF states that that the market needs of all groups must be met.

5.2.3 One demographic group Local Plans must consider is older people where the NPPF states that determining the number of homes needed during a plan period, to address all market needs, should be informed by a local housing needs assessment.

5.2.4 Paragraph 62 of the NPPF adds that, any local housing needs assessment should consider the type, size, and tenure of the housing needs of all in the local community, including older people.

5.2.5 The NPPF goes on to assert that, where need is identified, it must be assessed and reflected in planning policies.



*xiii) Identifying the needs of older people*

- 5.2.6 The Planning Practice Guidance (PPG) emphasises the importance of planning for older people and identifies evidence and information that plan makers can use to inform specific policies.
- 5.2.7 PPG acknowledges that people are living longer and therefore the proportion of older people is increasing (001 Reference ID: 63-001-20190626).
- 5.2.8 Utilizing the definition of older people as set out in the NPPF and in the paragraph above, the table below illustrates the proportion of those aged over 65 in Chichester District using the latest Census 2021 data available. The comparison to England is also included.

**Table 27. Proportion of those aged 65 or more in Chichester District**

	Aged 65+ (#)	Aged 65+ (%)
Chichester	33,632	27.1%
England	10,401,300	18.4%

Source: ONS Single Year of Age Census 2021 data.

- 5.2.9 The PPG also states that the proportion of those over 85 in the UK is predicted to double to 3.2 million by 2041 from 1.6 million in mid-2016.
- 5.2.10 A consideration and understanding of the needs of older people and how that may impact upon overall housing need should form an early stage of plan making where a wide range of choice for older people can assist in living independently, therefore reducing costs on social care and health systems (001 Reference ID: 63-001-20190626).
- 5.2.11 Crucially, strategic plan making authorities need to assess and determine the needs of the existing population of older people as well as to plan for those who are approaching or will reach retirement over the plan period (003 Reference ID: 63-003-20190626).
- 5.2.12 Strategic plan making authorities must acknowledge that the range of housing needs amongst older people will differ with needs for accessible and adaptable general needs homes to more specialist housing that can accommodate care and support.
- 5.2.13 In identifying the needs of older people strategic plan making authorities must first establish both the existing proportion of older people as well as the future proportion. PPG advocates using Census data as well as population and household projections where evidence as part of Joint Strategic Housing Needs Assessments prepared by health boards can also be a useful source in establishing need (004 Reference ID: 63-004-20190626).
- 5.2.14 Useful tools available to the sector also provide additional information on the breakdown of accommodation needs for older people, including by tenure and type (e.g. sheltered housing) and can forecast future housing needs of older people.

5.2.15 Ultimately, the need assessment can also outline the need for the provision of residential care homes.

xiv) Setting policy and monitoring

5.2.16 Once a need has been identified, strategic plan making authorities should:

*‘set clear policies to address the housing needs of groups with particular needs such as older and disabled people. These policies can set out how the plan-making authority will consider proposals for the different types of housing that these groups are likely to require. Policy can also provide indicative figures or a range for the number of units needed of specialist housing for older people needed across the plan area throughout the plan period.’* (006 Reference ID: 63-006-20190626).

5.2.17 Policy examples in the PPG include the following:

- **Accessible and Adaptable housing:** This type of housing enables individuals to live more independently and thus saves costs to health and social care services in the future. This type of housing may include safe, easy access routes to and from the house and external areas. PPG advises building this type of housing from the outset as opposed to adapting dwellings at a later stage. Where a need is established plans are expected to use the optional technical housing standards<sup>6</sup> to help bring forward the supply of accessible housing. It is advised that where there is an identified need, policy for housing can set proportions for standards on residential schemes.
- **Specialist housing for older people:** The diverse needs of older people can be met through the following types of specialist housing.
  - a) Age restricted general market housing
  - b) Retirement living or sheltered housing
  - c) Extra care housing or housing with care
  - d) Residential care homes and nursing homes

5.2.18 There is a wide variety of types of specialist housing where PPG states:

*‘The list above provides an indication of the different types of housing available but is not definitive. Any single development may contain a range of different types of specialist housing.’* (010 Reference ID: 63-010-20190626).

5.2.19 Strategic plan making authorities also have the ability to plan for ‘senior co-housing communities’ These communities are often made up of community space as well as self-contained private homes, where the intention is that residents live with a community of a similar age.

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<sup>6</sup> [Housing: Optional Technical Standards](#)

- 5.2.20 Strategic plan making authorities can help facilitate and accommodate these communities via the identification of suitable sites as part of housing land availability assessments and through the Self-build and custom-build legislation 2015<sup>7</sup>, enabling communities to build the development themselves (011 Reference ID: 63-011-20190626).
- 5.2.21 Ultimately, where a need has been identified, plans need to make provision for specialist housing where the use of housing models and a sensitivity to individual needs will be required. For instance, some residents may wish to stay at home, meaning that adaptation is often required, however many may wish to be part of a community with care provision. Plan makers need to consider the role of general market housing, housing location, quality, and size in their assessment to fully address the needs of older people, both present and emerging (012 Reference ID: 63-012-20190626).
- 5.2.22 In deciding whether to allocate specific sites for specialist housing, PPG states that it is down to the respective plan making body. Site allocation can provide prospective developers with confidence and result in development in more sustainable and suitable locations and may be appropriate where there is unmet, identified need for specialist housing.
- 5.2.23 Important factors such as proximity of communities to local facilities amenities and town centres, as well as public transport and health services are an important consideration in allocating sites for specialist housing (013 Reference ID: 63-013-20190626).
- 5.2.24 Planning Practice Guidance also advises that Local Planning Authorities can include an indicator within respective Authority Monitoring Reports for the provision of housing for older people that can be measured against targets and compared throughout the plan period (007 Reference ID: 63-007-20190626).
- 5.2.25 However, strategic plan making authorities should count the provision of housing for older people against their housing requirement. Similarly, to student accommodation, regarding residential institutions, authorities should establish the amounts of general market accommodation released using published Census data (016a Reference ID: 63-016a-20190626).
- 5.2.26 In designing places such as town centres, residential schemes and individual buildings, PPG advises that this needs to be inclusive.
- 5.2.27 This can include, but is not limited to:
- Position and gradient in development plot,
  - Relationship to surroundings,
  - Proximity to public transport infrastructure,
  - Positioning of street furniture,
  - Well-lit places and routes,

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<sup>7</sup> [Self-build and custom-build legislation 2015](#)

- The availability of public toilets (018 Reference ID: 63-018-20190626).

xv) Summary

- 5.2.28 Both the NPPF and PPG state that all market needs must be accommodate by strategic plan making authorities and must be factored in to plan production. Included within the market needs are those of older people.
- 5.2.29 The needs of older people should be assessed and informed by a local housing needs assessment, where any identified need must be addressed and reflected in policy.
- 5.2.30 The provision of housing for older people is not only beneficial to that demographic's independence, but has wider benefits, including to reduce the reliance and cost of social and health services.
- 5.2.31 It is important that strategic plan making authorities recognize the diversity of needs amongst older people where some may wish to remain in situ at home and others part of a wider community with individuals of a similar age. It is also important that where a need has been identified that strategic plan making authorities plan for a range of scenarios.
- 5.2.32 There are several different types of schemes that authorities can implement in order to meet the needs of their communities, whether, accessible and adaptive housing, specialist housing or senior co-housing communities.
- 5.2.33 When allocating sites to meet an identified need and designing spaces such as the public realm, strategic plan making authorities need to consider a range of factors including, but not limited too; access to local facilities and amenities, proximity to public transport networks and access and availability of health and social care services.

### **5.3 Overview of relevant evidence base**

- 5.3.1 The Chichester Housing and Economic Development Needs Assessment (HEDNA) April 2022 is a targeted review of the main outputs of the HEDNA including an update to the housing market, an assessment of housing need including that of the need for older person housing.
- 5.3.2 The HEDNA acknowledges that the Chichester district has an older age structure than the region or nationally, with the Manhood Peninsula area seeing a particularly high proportion of older people.
- 5.3.3 The HEDNA identifies that the bulk of the market demand is for 2 and 3 bed properties, but that there is also likely to be demand from older households for smaller 2 and 3 bed homes, as they look to downsize and release equity, whilst maintaining the ability to host family and friends.
- 5.3.4 Table 27 illustrates estimated needs for different types of housing linked to the population projections.
- 5.3.5 It shows a relatively high need for housing with care and housing with support across both tenures as well as demand for residential care and nursing bedspaces.

5.3.6 In the table below, 'housing with support' includes the retirement and sheltered categories of specialist housing for older people as per the PPG categories.

5.3.7 The table below is taken from the HEDNA and illustrates estimated needs for different types of housing linked to the population projections. Ultimately, the table indicates that there will be substantial need for both housing with support and housing with care.

**Table 28. Specialist Housing Need using adjusted SHOP@Review Assumptions, 2021-39 – Chichester (linked to 638 dpa outside SDNP)**

		Housing demand per 1,000 75+	Current supply	Current demand	Current shortfall / surplus (-ve)	Addition -al demand to 2039	Shortfall /surplus by 2039
Housing with support	Market	63	864	1,083	219	608	826
	Affordable	62	758	1,069	311	600	911
Total (housing with support)		105	125	1,622	2,151	529	1,208
Housing with care	Market	30	0	520	520	292	812
	Affordable	15	74	254	180	143	323
Total (housing with care)		45	74	775	701	435	1,135
Residential care bedspaces		40	840	688	-152	386	235
Nursing care bedspaces		45	644	775	131	435	565
Total bedspaces		85	1,484	1,463	-21	821	800

Source: Chichester HEDNA 2022

5.3.8 Further analysis was undertaken as part of the HEDNA to account for local health characteristics, based upon Census data on the proportion of those aged 65+ with a long-term health problem or disability (LTHPD) in the Chichester district.

5.3.9 The Chichester data indicates a slightly healthier proportion of the older population and therefore in Table 29 below, prevalence rates have been decreased.

**Table 29. Specialist Housing Need using adjusted SHOP@Review Assumptions, 2021-39 – Chichester (linked to 638 dpa outside SDNP) and with a health adjustment.**

		Housing demand per 1,000 75+	Current supply	Current demand	Current shortfall / surplus (-ve)	Addition -al demand to 2039	Shortfall /surplus by 2039
Housing with support	Market	53	864	907	43	509	552
	Affordable	52	758	895	137	503	640
Total (housing with support)		105	1,622	1,802	180	1,011	1,192
Housing with care	Market	25	0	436	436	245	680
	Affordable	12	74	213	139	120	259
Total (housing with care)		38	74	649	575	364	939
Residential care bedspaces		34	840	577	-263	324	60
Nursing care bedspaces		38	644	649	5	364	369
Total bedspaces		71	1,484	1,225	-259	688	429

Source: Chichester HEDNA 2022

- 5.3.10 By 2039 the tables above demonstrate that there is an identified need for between 2,131 (1,192 plus 939(Table 29)) and 2,343 (1,208 and 1,135(Table 28)) dwellings with support or care and 429-800 residential and nursing care bed spaces.
- 5.3.11 The HEDNA advises, that the typical multiplier used for converting bedspaces to dwellings is 1.80 bedspaces per dwelling for older persons accommodation). Therefore, equating to 238-445 dwellings.
- 5.3.12 Ultimately, the older person analysis in the HEDNA illustrates a need for between approximately 2,369-3,317 dwellings over the Plan period (2021-2039).
- 5.3.13 This equates to 132-184 dwellings per annum.
- 5.3.14 Table 30 below is taken from the HEDNA and illustrates the estimated need for wheelchair users in Chichester from 2021-2039.
- 5.3.15 The total need for additional wheelchair user homes (M4(3)) equates to approximately 1,150 over the period 2021-2039 which represents 8% of all housing need, with 7% market need and 17% affordable need.

**Table 30. Estimated need for wheelchair user homes, 2021-39**

	Current need	Projected need (2021-39)	Total current and future need	Housing need (2021-39)	% of Housing Need
Chichester	411	736	1,147	13,734	8.4%

Source: Chichester HEDNA 2022

5.3.16 Table 31 breaks the above into need by tenure

**Table 31. Estimated need for wheelchair user homes by tenure, 2021-39**

	Market	Affordable
Chichester	7%	17%

Source: Chichester HEDNA 2022

- 5.3.17 The above demonstrate a need for a supply of accessible and adaptable dwellings and provision for specialist older persons housing. The HEDNA suggests that there is clear correlation between age and disability in the evidence.
- 5.3.18 Amongst the recommendations in the HEDNA that the Council could consider when addressing the identified need are:
- The requirement for all new dwellings to meet M4(2) standards, with c.10% meeting M4(3) standards.
- 5.3.19 However, the HEDNA also advises that in the case of implementing standard requirements, this may not be possible in all cases due to site viability and therefore any policy should be flexible.
- 5.3.20 The HEDNA also states that the Council need to consider that there are different approaches in the market and affordable markets, whereby many Registered providers already build to higher standards, therefore housing in the affordable market may already meet certain standards.
- 5.3.21 Furthermore, the HEDNA advises that in meeting the M4(2) standards, subsequent homes could be considered as ‘homes for life’ and therefore suitable for any occupant regardless of age and/or disability.
- 5.3.22 The HEDNA also informs the Council that in forming policy for the provision of specialist older people housing, several factors need to be considered. These include use class (C2 vs C3) as well as affordable housing contributions which can impact upon development viability.
- 5.3.23 One suggestion of the HEDNA is for the Council to consider allocating sites for specialist older person housing. It is advised that site allocation can provide security for developers, in light of competing and more lucrative land uses. Specific site allocation and development can assist in the release of larger family homes to the market.
- 5.3.24 Subsequently, the HEDNA advises that affordable housing contributions may be sought from a C2 use development if relevant policy is appropriately crafted and worded.

5.3.25 This is evidenced by a relatively recent high court decision which upheld an Inspectors decision that a scheme for ‘extra care’ homes in Oxfordshire, are liable to make contributions to affordable homes.<sup>8</sup>

5.3.26 The Rectory Homes Ltd V SoS [2020] EWHC 2098, questioned whether a proposal for extra care housing, within the C2 use class, would constitute as individual dwellings, or should it be considered that the units are not dwellings, as they fall outside of the C3 use class. This case was specific to South Oxfordshire, and in part dealt with policies within the extant development plan for the area, however, a key part of the conclusion made by Holgate J, is that extra care accommodation can comprise of dwellings, therefore, it can be both C2 and a dwelling.

*“It has become well-established that the terms “dwelling” or “dwelling house” in planning legislation refer to a unit of residential accommodation which provides the facilities needed for day-to-day private domestic existence (Gravesham p. 146; Moore v Secretary of State for the Environment, Transport and the Regions (1998) 77 P & CR 114, 119; R (Innovia Cellophane Limited) v Infrastructure Planning Commission [2012] PTSR 1132 at [27]-[28]). This concept is consistent with the Core Strategy’s interchangeable use of the words “dwelling”, “house”, “home” and “unit”. It can include an extra care dwelling, in the sense of a private home with the facilities needed for “independent living” but where care is provided to someone in need of care.”*

5.3.27 If a proposal for a C2 use dwelling(s) then, in accordance with the NPPF it should also contribute to meeting affordable housing needs of the area.

#### **5.4 Overview of the proposed Local Plan Review Policy**

5.4.1 The contextual text to policy H5 ‘Housing Mix’ recognises that there will likely be opportunities (due to demographic changes) for the provision of sizes and types of homes that appeal to older residents and encourage downsizing and consequentially releasing larger homes for larger families.

5.4.2 The actual policy (H5 – Housing Mix) wording states that proposed housing mixes can deviate from need identified in the HEDNA and may be approved provided that the proposed mix addresses an identified need, for instance, that of older people or for specialised housing.

**5.4.3** Policy H8 ‘Specialist accommodation for older people and those with specialised needs’ relates solely to the provision of accommodation for those groups who have specialised needs, including older people.

5.4.4 The policy states:

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<sup>8</sup> High Court Decision CO/4682/2019 on Appeal APP/Q3115/W/19/3228431



*'All housing sites over 200 units, including those allocated in this plan, will be required to provide specialist accommodation for older people...The specific type and amount of accommodation required will depend on the size and location of the site.*

*Proposals which may result in the loss of specialist needs accommodation will not be permitted unless it can be demonstrated that there is no longer a need for such accommodation in the Plan area, or alternative provision is being made available locally through replacement or new facilities.'*

- 5.4.5 Policy H8 above facilitates the provision of specialist housing for older people in a manner consistent with PPG through sustainable location and proximity to existing services and infrastructure. It also safeguards specialist older peoples housing through relocation or entire protection from alternative uses. However, there are no provision proportions referenced or how provision will address identified need.
- 5.4.6 However, policy H8 is reasonably vague with limited additional information to potential decision makers in dealing with such a proposal. For instance, when interpreting the policy above, it would appear that the provision of a single specialist unit of accommodation would satisfy the policy.

*xvi) Summary*

- 5.4.7 Local Plan policy and the HEDNA identify a need for accommodation for older people with the HEDNA stating that the largest population increase over the plan period in those aged 75 and over.
- 5.4.8 There is a commitment in the Plan vision to support the provision of housing for the needs of the whole community, including older people.
- 5.4.9 Need and provision are both referenced in strategic Policies H4 & H5, however this is relatively high-level support in the policy and contextual wording. There is no reference to proportions or numbers required from respective housing sites.
- 5.4.10 Policy H8 includes support for provision of accommodation for older people on residential schemes for over 200 dwellings. However, despite there being an identified need, the proportion of specialist accommodation required is not specified where it is said to depend on the type, size and location of the site.
- 5.4.11 In addition, policy H8 is relatively vague and does not provide sufficient information to decision makers, where the policy could also be mis-interpreted.
- 5.4.12 The policy, could potentially contain additional detail and provide certainty or security that specialist accommodation will actually be provided.
- 5.4.13 Policy does not currently detail the requirements from residential development schemes as to the provision of specialist housing products as defined by the PPG, despite the clearly identified and

illustrated need in the HEDNA. Therefore, the relevant policy could provide additional clarity and detail with regards to the provision of specialist housing for older people.

5.4.14 Additional detail and revisions may help address the identified need in the HEDNA.

## 5.5 Review of relevant Local Plan Inspector reports

5.5.1 We have carried out a review of Local Plan Inspector reports which have all found the relevant submitted Local Plan sound. The Plans reviewed are those only found sound since 2021 and excludes plans submitted prior to 2018. Plans which were only reviews of extant development plans, less than 5 years old, were excluded. A total of 24 Local Plans and Inspector reports were reviewed, of these 10 were not of relevance, or the inspector report was not available. The list of 24 Plans reviewed is set out in the table below.

**Table 32. Local Plan Inspector Reports Reviewed**

Local Planning Authority	Date Local Plan Submitted for Examination	Date Local Plan Found Sound	Date Plan Adopted	Notes
Brent, London Borough of	17/03/2020	17/01/2022		10% of all the Growth Area's additional dwellings over those which already have planning permission will be delivered as specialist older people's accommodation. Minimum of 10% elsewhere on sites with a capacity of 500 or more dwellings.
Brentwood Borough Council	17/02/2020	23/02/2022	23/03/2022	Policy requires each dwelling to be constructed to meet requirement M4(2), for schemes for 10 or more dwellings. In addition to above, a minimum of 5% of new affordable dwellings should be built to meet requirement M4(3) for schemes of 60 or more dwellings. In addition to all the above, provision for other forms of Specialist Accommodation taking account of local housing need for all schemes for 100 dwellings or more. Specialist residential accommodation also supported on smaller sites.
Castle Point District Council	02/10/2020	03/03/2022		Does not deal with housing for older people.
Darlington Borough Council	22/12/2020	28/01/2022	17/02/2022	Does not deal with housing for older people.
Dartmoor National Park - Local Plan Review	21/09/2020	01/11/2021	03/12/2021	Does not deal with housing for older people.

Doncaster Metropolitan Borough Council	04/03/2020	30/06/2021	23/09/2021	Policy requires 65% of new homes on major residential development schemes to meet to meet M4(2) and 5% to meet M4(3). Viability assessments support this.
Eastleigh Borough Council	31/10/2018	14/03/2022	25/04/2022	Plan examined under 2012 Framework
Folkestone & Hythe District Council - Core Strategy Review	10/03/2020	23/02/2022	30/03/2022	Does not deal with housing for older people.
Fylde Borough Council - Local Plan Review	21/10/2020	21/10/2021		Policy requires that at least 20% of homes on new residential developments of 20 or more homes should be designed to accommodate older people including compliance with M4(3).
Halton Borough Council - Delivery & Allocations Local Plan	05/03/2020	22/02/2022	02/03/2022	Reference to need for provision of housing for older people but no reference in policy to specific thresholds on new developments. Insp. Rep notes that <i>'whilst there is high level evidence of an ageing population; no detailed analysis is available as to how this translates into the size, location and type of housing, the accessibility and adaptability of existing housing and how needs vary across tenure.'</i>
Hambleton District Council	31/03/2020	19/01/2022	22/02/2022	Main Mod ensures that specialist accommodation can be provided throughout the District as opposed to just the Market Towns and Service Villages. The Plan contains sufficient policy to re-direct inappropriately located development where applicable. The same Main Mod also deletes requirement for 10% bungalows on sites > 200 dwellings as this is un-evidenced.
Ipswich Borough Council - Local Plan Review	10/06/2020	17/02/2022	23/03/2022	Policy requirement for mix of dwellings on all new major residential schemes for 10 or more dwellings, however no reference to specific provision for older people in CS. Reference in SADMP that the Council encourages new developments to be acceptable and adaptable as well as promoting the 'Lifetime Neighbourhood' principle.
Isles of Scilly Council	30/09/2019	23/02/2021	25/03/2021	Does not deal with housing for older people.
Lake District National Park	01/08/2019	15/03/2021	19/05/2021	Report not available

Lambeth, London Borough of - Local Plan Review	22/05/2020	22/07/2021	22/09/2021	Main Mods ensure that the Lambeth Plan is in line with policy H13 of the London Plan, and emphasize the importance of housing for older people and specify the indicative benchmark of 70 dwellings per annum (excluding nursing homes)
Northumberland Council	29/05/2019	26/01/2022	31/03/2022	No policy for accessibility standards in original Plan despite identified need and viability evidence to demonstrate viability Main Mod introduced to require 20% of new open market dwellings and 50% of affordable dwellings to meet or exceed M4(2) standards.
Old Oak and Park Royal Development Corporation	04/10/2018	01/04/2022	22/06/2022	Does not deal with housing for older people.
Rossendale Borough Council	25/03/2019	19/11/2021	15/12/2021	Policy requires 20% of any new housing to meet the needs of the elderly and in line with the Optional Standard M4(2). More is required; however viability evidence suggests that this proportion does not prejudice development and is in line with national policy.
Southwark, London Borough of - New Southwark Plan	16/01/2020	17/11/2021		Main Modification ensures the Council's position is reflected to secure social rented and intermediate housing having regard to identified need.
St Helens Metropolitan Borough Council	29/10/2020	18/05/2022	12/07/2022	The Plan recognizes the importance that bungalows can play in the provision of housing for older people, however a Main Mod is proposed to remove the prescribed amount of bungalows for residential schemes on greenfield sites given the difficulty in quantifying demand and the impact that bungalows can have on achieving minimum densities, potentially leading to inefficient use of land.
Watford Borough Council	06/08/2021	20/09/2022	17/10/2022	Does not deal with housing for older people.
Westminster, City of (City Plan 2019-2040)	19/11/2019	19/03/2021	21/04/2021	Does not deal with housing for older people.
Worthing Borough Council	11/06/2021	14/10/2022		Housing mix policy generally establishes a pragmatic approach however a Main Mod to ensure that definitions of housing products for older people are clear.
Wyre Forest District Council - Local plan Review	30/04/2020	11/03/2022	26/04/2022	Main Mod to increase the flexibility of the policy for housing for older people whereby the policy is responsive to the range of needs but also to provide

				clarification on the way in which Building Regulations for accessible and adaptable housing will be applied.
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- 5.5.2 Following our review of these recently examined Local Plans, which have been found sound there are several key points which need to be considered with respect to the provision of housing for older people.
- 5.5.3 Generally, Inspectors supported policy that was evidence based, clarifying that in a couple of instances, where a need had been identified by the evidence base, that it was essential that this was addressed by policy.
- 5.5.4 In addition, Inspectors supported clarity in policy and associated terminology and definitions, in line with more senior Plans (such as the London Plan) and national policy.
- 5.5.5 In the cases above, there was support for prescribed proportions of provision of homes that meet the Optional Technical Standards for Housing including M4(2) (Accessible and adaptable) and M4(3) (Wheelchair accessible). Furthermore, it was crucial that the proportions were supported by associated viability appraisals
- 5.5.6 Moreover, Inspectors also generally supported a flexible approach to policy, where flexibility *'was necessary to respond to the variety of needs at all ages take account of new and emerging models for their provision'* (Wyre Forest).
- 5.5.7 In the case of Worthing, whilst the housing mix policy is supportive of housing for older people, *'the Plan does not set out specific requirements for different types of housing, but rather creates a framework within which different types of housing can come forward to help meet all needs... specific requirements for certain types of development could have the effect of limiting delivery for other types of housing. Given the constrained nature of the supply, imposing limits on delivery of any kind would be counterproductive.'* (Worthing).
- 5.5.8 In both cases above, Inspectors were supportive of a flexible approach to policy regarding the provision of specialist housing for older people, but evidently supportive of prescribed thresholds for the provision of dwellings that meet the Optional Technical Standards.
- 5.5.9 This is evidenced by two instances above, (St Helens Metropolitan Borough Council and Hambleton District Council), where Inspectors removed prescribed amounts for the provision of Bungalows. In these cases, the role bungalows can play in the provision of housing for older people was acknowledged, however, the impact that bungalows can have on site density and consequentially, inefficient land use, was also referenced.
- 5.5.10 In addition, Inspectors also supported policy that enabled provision throughout the whole district, as evidenced by the report for Hambleton.

5.5.11 Ultimately, the Inspector, in their report to Doncaster Metropolitan Borough Council, states, *'The policy strikes an appropriate balance between safeguarding the viability of development and helping to ensure that new homes make a reasonable contribution towards meeting the long term needs of an ageing population.'* (Doncaster Metropolitan Borough Council)

## 5.6 Recommendations

5.6.1 We have reviewed national policy and guidance, recent Local Plan Inspector reports and the Council's proposed Local Plan and evidence base. Following this review, we consider that there are several elements that the Council could consider in relation to the provision of housing for older people.

5.6.2 It is encouraging that policy H8 refers to the provision of additional specialist accommodation for older people, but also safeguards existing stock of specialist accommodation from inappropriate development and alternative uses.

5.6.3 Policy H8, ensures provision of specialist accommodation for older people on all sites of over 200 dwellings, and suggests that the *'specific type and amount of accommodation required will depend on the size and location of the site.'* It is encouraging that, as per the Inspector report reviews, there is a relative amount of flexibility in the policy.

5.6.4 However, the policy could potentially contain additional detail on how specialist accommodation for older persons will be delivered on large sites for 200 or more dwellings, and the policy needs to be clear on how it would work in practice, including, what the Council can do to demand more specialist accommodation for older people, if policy does not require it.

5.6.5 As per the above analysis at 5.4.6, policy H8 could also contain additional detail, to help prevent potential misinterpretation.

5.6.6 There should be recognition in the Plan, in the form of policy, that not all the identified need for specialist accommodation for older people will be met. This should include a mechanism, namely, a windfall policy, which allows proposals for specialist accommodation for older people to come forward in sustainable locations.

5.6.7 A windfall policy will contribute to meeting the identified need which cannot be met by the current or proposed supply.

5.6.8 The NPPF supports the provision of information upfront and the PPG notes that site allocation can also be a way to provide additional security and certainty for developers where there may be a range of competing land uses.

5.6.9 Ultimately, evidenced in National Policy, prospective developers need as much information upfront to inform viability amongst other things. Therefore, additional clarity in policy is required.

- 5.6.10 In our experience of working with developers of specialist accommodation for older people, they struggle to compete with general market house builders in the purchase of land for residential development and that their schemes would take a large proportion up of a 200 dwelling allocation, therefore in practice leaving only around half for general market housing. Larger sites which could accommodate older persons housing, tend to bring this forward later in site delivery, The size of those older persons developments are not usually any larger because they are part of a large allocation and will be similar to most other schemes .<sup>9</sup>
- 5.6.11 Feedback from developers in the past has suggested that specific allocations for specialist accommodation can provide potential developers with security and confidence of physical development in a market of competing and potentially more lucrative land uses.
- 5.6.12 A specific allocation policy may help in this instance as there is an acute need for specialist accommodation for older people as identified by the HEDNA. An allocation policy may help address the identified need, but it is acknowledged that any such policy would be unlikely to address the current shortfall.
- 5.6.13 In the case of the Inspectors report to Rossendale Borough Council, it was advised that even where need was not met by thresholds and requirements, so long as site or development viability was not prejudiced, development would always contribute to delivery
- 5.6.14 There does not appear to be a policy setting out the Council's approach to monitoring the specific delivery of specialist accommodation and housing, although appendix F has the monitoring framework listed. Housing delivery will be monitored, and the progress of specific sites tracked and monitored, however in monitoring the effectiveness of the policies discussed throughout this section, it may help to include an additional indicator in relation to specialist housing provision.

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<sup>9</sup> [Guidance available at ARCO](#)

## 6.0 AFFORDABLE HOUSING

### 6.1 Overview

6.1.1 Local Planning Authorities are required to determine the minimum number of homes needed over a Plan period as part of Plan production where any strategic housing policy should be informed by a local housing need assessment. In this context, the mix and tenure of housing must also be considered and reflected in policy, to address all market needs within the area. For the purposes of this section, this includes the needs of those requiring affordable housing.

6.1.2 The National Planning Policy Framework (NPPF), defines affordable housing as:

*‘housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers).’*

6.1.3 Given the requirement for the provision of affordable housing set out in national policy, the Council sought a review of the local evidence base, including the HEDNA, national evidence and baseline review as well as a national policy review.

6.1.4 Further guidance was then sought on local policy targeted to address the provision of affordable housing and the consideration of potential additional policy in relation to affordable housing provision.

### 6.2 National Planning Policy and Guidance

6.2.1 This section sets out the relevant national policy and guidance on the provision of affordable housing.

xvii) *Affordable housing and Strategic Plan Making*

6.2.2 In addition to the above, the NPPF specifies that affordable housing must comply with one of the following definitions:

- a) Affordable housing for rent
- b) Starter homes
- c) Discounted market sales housing
- d) Other affordable routes to home ownership

6.2.3 Paragraph 20 of the NPPF specifies that:

*‘Strategic policies should set out an overall strategy for the pattern, scale and design quality of places, and make sufficient provision for:*

*a) Housing (including affordable housing), employment, retail, leisure and other commercial development’.*

6.2.4 Evidently, the provision of affordable housing is a fundamental step in producing plans and policy and planning for its provision is undertaken at the outset of plan production.



- 6.2.5 Paragraph 34 goes on to clarify that plans should set expected contributions from development, which crucially includes affordable housing provision contributions and where possible discuss contribution early in both the plan and decision-making process, such as at pre-application stage.
- 6.2.6 As such, identifying affordable housing need and sufficient land for its provision is an integral element of plan making.
- xviii) Delivering a sufficient supply of affordable housing*
- 6.2.7 Chapter 5 – Delivering a sufficient supply of homes, of the NPPF, states that in order to support the Government’s objective of delivering more homes, identifying a variety and sufficient supply of land that can come forward is integral. Furthermore, the NPPF states that that the market needs of all groups must be met.
- 6.2.8 One element of need that Local Plans must consider is that for affordable housing where the NPPF states that determining the number of homes needed during a plan period, to address all market needs, should be informed by a local housing needs assessment.
- 6.2.9 The NPPF goes on to assert that, where need is identified, it must be assessed and reflected in planning policies.
- 6.2.10 Paragraph 63 of the NPPF adds that, where an affordable housing need is identified, that policy should specify the type required and assume that need is met on site, with the exception where;
- ‘a) off-site provision or an appropriate financial contribution in lieu can be robustly justified;*
- and*
- b) the agreed approach contributes to the objective of creating mixed and balanced communities.’*
- 6.2.11 The NPPF also provides specific guidance on when affordable housing should be sought. It clarifies that affordable housing contributions should not be sought for residential development schemes that are not classified as major unless the scheme is in a designated rural area. In the instance of a designated rural area, policy can set lower thresholds.
- 6.2.12 Furthermore, in support of the re-use of brownfield land, affordable housing contributions should be adjusted down accordingly by a proportionate amount, so as not to impact upon site viability.
- 6.2.13 However, certain exceptions apply to major development schemes and seeking contributions, where this exceeds required levels of affordable housing in the Local Planning Authority (LPA) area, or the provision of affordable housing would impact upon the ability to meet the needs of other groups.
- 6.2.14 At paragraph 65, the NPPF goes on to state that major residential development should expect the provision of 10% of the total dwellings to be for affordable home ownership (AHO). However, the NPPF adds that this should not be sought where identified need in the area would be exceeded, or it would impact upon the ability to meet the affordable needs of other groups.
- 6.2.15 Paragraph 65 goes on to add:

*‘Exemptions to this 10% requirement should also be made where the site or proposed development:*

- a) provides solely for Build to Rent homes;*
- b) provides specialist accommodation for a group of people with specific needs (such as purpose-built accommodation for the elderly or students);*
- c) is proposed to be developed by people who wish to build or commission their own homes;*
- or*
- d) is exclusively for affordable housing, an entry-level exception site or a rural exception site.’*

6.2.16 When identifying land for homes, the NPPF states that LPAs should support and encourage the development of entry-level exception schemes that are suitable for first time buyers. Such sites should be on land that isn’t allocated for housing and:

- ‘a) comprise of entry-level homes that offer one or more types of affordable housing...; and*
- b) be adjacent to existing settlements, proportionate in size to them, not compromise the protection given to areas or assets of particular importance..., and comply with any local design policies and standards.’*

6.2.17 Furthermore, policy can encourage and support rural exception sites being brought forward to help increase and maintain the supply of affordable housing, allowing market housing on these sites can help facilitate development.

*xix) Identifying the need for affordable housing*

6.2.18 The Planning Practice Guidance (PPG) states that assessing housing need is the first step in determining how many homes need to be planned for (001 Reference ID: 2a-001-20190220). A key part of assessing this need includes assessing the need for affordable housing.

6.2.19 The PPG reiterates the NPPF and states that any household whose need is not met by the market can be considered in affordable housing need.

6.2.20 In assessing need, strategic plan making authorities need to work collaboratively with social care and health, and housing departments to estimate the number of current households whose needs cannot be met by the market (019 Reference ID: 2a-019-20190220).

6.2.21 Furthermore, the PPG states:

*‘Strategic plan making authorities can establish the unmet need for affordable housing by assessing past trends and current estimates of:*

- the number of homeless households;*
- the number of those in priority need who are currently housed in temporary accommodation;*
- the number of households in over-crowded housing;*

- *the number of concealed households;*
  - *the number of existing affordable housing tenants in need (i.e. householders currently housed in unsuitable dwellings); and*
  - *the number of households from other tenures in need and those that cannot afford their own homes, either to rent, or to own, where that is their aspiration.'*
- 6.2.22 However, the PPG adds that care must be taken in order to avoid double counting which may arise where the same household is identified on more than one information source. (020 Reference ID: 2a-020-20190220).
- 6.2.23 The same paragraph of the PPG goes on to suggest that Local Authorities will hold and have access to a range of information and data sets to help establish any unmet need.
- 6.2.24 As well as calculating unmet need it is key that strategic plan making authorities establish any newly arising need that may arise during a plans period.
- 6.2.25 PPG asserts that projections of affordable housing need to reflect household formation and the proportion of any newly formed households unable to rent or buy in the authority area as well as an estimate of any existing households that may fall into need.
- 6.2.26 The process must identify the minimum income required to obtain lower quartile or entry level, market housing, using current costs and ideally, anticipated changes if house prices and wages. From this the authority can assess the proportion of any newly arising households unable to access market housing (021 Reference ID: 2a-021-20190220).
- 6.2.27 PPG specifies that the existing stock of affordable housing can be used to accommodate any households in affordable housing need. In identifying the existing stock authorities can establish:
- *'the number of affordable dwellings that are going to be vacated by current occupiers that are fit for use by other households in need;*
  - *suitable surplus stock (vacant properties); and*
  - *the committed supply of new net affordable homes at the point of the assessment (number and size).'* (022 Reference ID: 2a-022-20190220)
- 6.2.28 Ultimately, PPG advises that total annual need for affordable housing is calculated by taking the total net need (the result of subtracting available stock from total gross need) and getting an annual flow as per the plan period.
- 6.2.29 Crucially, this total affordable housing need must then be considered in the context of likely delivery as a proportion of general market led residential schemes. An increase in the total housing to be provided during the plan can potentially help to facilitate the required number of affordable homes (024 Reference ID: 2a-024-20190220).

### 6.3 Overview of relevant evidence base

- 6.3.1 The Chichester Housing and Economic Development Needs Assessment (HEDNA) April 2022 is a targeted review of the main outputs of the HEDNA including an update to the housing market, an assessment of housing need including that of affordable housing and the need for older person housing.
- 6.3.2 The HEDNA acknowledges that there is a clear need for affordable housing and that provision of new affordable housing is an important issue in the area but equally that the HEDNA does not provide a target, which will be determined by how much can be viably supplied.
- 6.3.3 However, ultimately, the HEDNA recommends that:  
*‘affordable housing delivery should be maximised where opportunities arise.’*
- 6.3.4 Table 33 of the HEDNA illustrates the estimated need for social/ affordable rented housing by sub area (per-annum) of Chichester.
- 6.3.5 The table identifies a total social/affordable rented housing need of 278 (including the South Downs National Park SDNP) dwellings across Chichester per annum.
- 6.3.6 The figure excluding the SDNP area is 208.
- 6.3.7 The affordable/social rented need (208 p/a) for the Chichester Local Plan Area (excl. the South Downs National Park) represents 33% of the total dwelling need (638 p/a) for the Chichester Local Plan Area, as identified by the HEDNA.
- 6.3.8 The HEDNA emphasises the acute need in the affordable rented market, stating, the provision of other affordable housing products may compromise the ability to meet the need for affordable rented products and *‘squeeze out’* the majority of those in need of affordable rented products.

**Table 33. Estimated Need for Social/Affordable Rented Housing by sub-area (per annum)**

	Current need	Newly forming households	Existing households falling into need	Total Gross Need	Relet Supply	Net Need
Chichester City	17	93	24	134	84	50
EW Corridor	9	71	10	90	34	56
Manhood	15	83	10	108	32	76
Plan Area North	3	30	3	36	9	27
SDNP	14	102	20	136	66	70
Total	58	380	66	504	226	278

Source: HEDNA

- 6.3.9 The illustrated need is broken down by sub-area, however the HEDNA is keen to point out that specific sub area data, should not, and does not represent local targets.

6.3.10 The HEDNA illustrates an estimate of net affordable home ownership (AHO) need in Chichester District area including the SDNP. As the need is identified for the SDNP, this can be deducted to establish the need in the Local Plan area

6.3.11 The affordable home ownership net need (those that can afford private market rent, but not buying property) is 301 dwellings per annum and 225, when excluding the SDNP.

**Table 34. Estimated need for affordable home ownership by sub-area**

	Total Gross Need	LCHO supply	Net need
Chichester City	89	5	84
EW Corridor	64	3	61
Manhood	63	3	60
Plan Area North	20	1	19
SDNP	80	4	76
TOTAL	316	15	301

Source: HEDNA

6.3.12 However, the HEDNA acknowledges that, a quarter of all homes sold, will be priced at or potentially below the lower quartile level, which the analysis must take account of.

6.3.13 According to Land Registry data in the HEDNA, there were 1,761 resales in the year to March 2021 (excluding new builds), thus around 440 would be priced below the lower quartile and potentially be affordable to the target group.

6.3.14 This would exceed the identified need of 301 in Table 31.

6.3.15 Table 36 below illustrates sales and the number below lower quartile price.

**Table 35. Number of sales of existing dwellings (year to March 2021) and number at or below lower quartile**

	Number of sales	Sales at or below LQ
Chichester City	392	98
EW Corridor	293	73
Manhood	520	130
Plan Area North	131	33
SDNP	424	106
TOTAL	1,761	440

Source: HEDNA

6.3.16 The HEDNA suggests that identifying a definitive need for AHO is difficult but acknowledges that it appears there are households in Chichester who are excluded from the owner-occupied tenure market.

6.3.17 This is evidenced by the HEDNA which states the proportion living in the private rented sector increased by 45% from 2001 to 2011, with the likelihood of additional increase since. During the

same period, the numbers of owners with mortgages dropped by 7%. However, it is also acknowledged that figures may represent personal choice and life stage rather than due to the market situation.

6.3.18 However, the NPPF provides clear direction that 10% of all new homes on larger residential development schemes be for AHO. For instance, if 20% of affordable housing was required by policy, then 10%, or half would be for AHO.

6.3.19 The HEDNA suggests that paragraph 65 of the NPPF comes into play in Chichester as there is a clearly identified need for rented housing, where the provision of AHO products may;

*‘significantly prejudice the ability to meet the identified affordable housing needs of specific groups’ (NPPF Paragraph 65)*

6.3.20 The NPPF also states that 25% of affordable housing should be for ‘first homes’, however the HEDNA advises that the provision of this level may also impact upon the provision of other Low Cost Homeownership products, however given the low deposit requirements for ‘first home’ it is likely that these will have a role in addressing need.

6.3.21 However, ultimately, the HEDNA concludes that:

*‘the Council is likely to need to consider some additional homes on larger sites as some form of affordable home ownership’*

6.3.22 In concluding, the HEDNA suggests that the Council are justified in seeking additional affordable housing given the identified social and affordable rented needs (278 p/a) in table 33.

6.3.23 It goes on to suggest that despite the high level of need identified that this does not necessarily mean that the Council need to increase the Local Plan housing requirement. The HEDNA states that:

*‘the link between affordable need and overall need (of all tenures) is complex and in trying to make a link it must be remembered that many of those picked up as having an affordable need are already in housing (and therefore do not generate a net additional need for a home).’*

6.3.24 Furthermore, the HEDNA recommends that the Council do not adopt a rigid policy in relation to the split between social and affordable rented properties. Analysis suggests that both tenures are likely to be required.

6.3.25 Regarding AHO the HEDNA concludes that there is an identified need of 301 per annum. However, it goes on to suggest that this need is much more limited due to the supply of homes from re-sales below lower quartile price.

6.3.26 Ultimately, the HEDNA concludes that:

*‘In deciding what types of affordable housing to provide, including a split between rented and home ownership products, the Council will need to consider the relative levels of need and also viability issues (recognising for example that providing AHO may be more viable*

*and may therefore allow more units to be delivered, but at the same time noting that households with a need for rented housing are likely to have more acute needs and fewer housing options).*'

#### **6.4 Overview of the proposed Local Plan Review Policy**

6.4.1 The Council's Local Plan states that the provision of affordable housing remains a priority of the Council.

6.4.2 One of the issues and opportunities facing the plan area includes:

*'Plan for a range of new housing that meets the needs of local people, and their changing requirements at different stages of life, including affordable housing and specialist accommodation; helping young people and families to stay in the area'*

6.4.3 This extract from the plan illustrates that the Council are committed to the delivery of affordable housing to meet the needs of local residents, enabling them to remain in the area. This commitment is also reflected in Objective 3: Housing.

6.4.4 As the 'plan area's main centre Chichester City and the East West Corridor will be the focus for creating 'communities with good access to a range of employment opportunities and affordable housing for young people and families to balance the ageing population.'

6.4.5 However, in addition, there is a commitment to affordable housing provision in more peripheral rural areas, making use of existing buildings and brownfield sites, in order to address the needs of those in these areas. This includes those within the Area of Outstanding Natural Beauty (AONB).

6.4.6 Policy H4 'Affordable Housing' makes provision for affordable housing and sets out that affordable housing should be indistinguishable from market housing.

6.4.7 Policy H4 also states that, where evidenced and viability permitting, Neighbourhood Plans can set higher requirements for affordable housing provision, which may help address need identified by the HEDNA.

6.4.8 Where the policy sets out the required mix, in line with the identified need for affordable rented properties (in particular social rent), it clarifies that this can be negotiated on a case-by-case basis, provided it is evidenced and justified and liaison carried out with the Housing Department.

6.4.9 Policy H4 requires on site provision of affordable housing, on sites for 10 or more dwellings, or, sites greater than 0.5 hectares.

6.4.10 The policy specifies additional detail for specific areas of the plan as follows:

a) *'North of the Plan Area – 40% on greenfield sites, 30% on previously developed land.*

b) *'South of the Plan Area – 30% on greenfield sites, 20% on previously developed land.*

*Strategic Locations/Allocations will make provision as per the requirements set out above unless otherwise stated in the site-specific allocation policy.'*

6.4.11 For sites of 6-10 dwellings in designated rural areas, the Council will seek a financial contribution, in the form of a commuted sum, for the provision of affordable dwellings.

6.4.12 Furthermore, the Council consider the viability of sites, in regard to the provision of affordable housing provision, where policy H4 states:

*'Where the affordable housing requirement causes a proposal to be financially unviable, developers must assess the below options in order of preference:*

- *Establish if any public subsidy is available to deliver a policy compliant mix;*
- *Alter the tenure mix within the affordable housing percentage required by the policy;*
- *Reduce the overall percentage of housing provided as affordable units;*
- *Provide a financial contribution for affordable housing to be delivered off-site*

6.4.13 Policy, H4 requires that 25% of affordable housing provision is comprised of first homes where the remaining 75% will be made up of a suitable mix of shared ownership and/or affordable rent/social rent homes. The breakdown of the tenure split proposed, is as follows:

- *'25% First Homes,*
- *35% social rent,*
- *22% affordable rent,*
- *18% shared ownership.'*

6.4.14 Policy H4 clarifies that alternative tenure split may be permitted where robust evidence demonstrates the need for an alternative split.

6.4.15 Furthermore, in relation to the subdivision of sites, and a site falling below the specified thresholds, the Council will seek:

*'a level of affordable housing to reflect the provision that would have been achieved on the site as a whole had it come forward as a single scheme for the allocated or identified site.'*

6.4.16 Regarding the specific allocations, policy H4 'Affordable Housing' of the Plan, requires that:

*'Strategic Locations/Allocations will make provision as per the requirements set out above unless otherwise stated in the site-specific allocation policy.'*

6.4.17 However, this will likely be outlined in the site allocation and development management Plan, and any potential delivery from thresholds over and above those outlined in policy H4, is unknown at this stage, but may also contribute to the identified need.

6.4.18 With regards to the identified need, the HEDNA 2022 identifies a need for 3,744 affordable /social rented dwellings in the Plan area over the Plan period, equating to 208 per/annum.

6.4.19 It is acknowledged by the Plan and Council that this need cannot be met in full during the Plan period, this issue is addressed in the NPPF where it states at paragraph 34, that;



*'Plans should set out the contributions expected from development. This should include setting out the levels and types of affordable housing provision required...[however] Such policies should not undermine the deliverability of the plan.'*

- 6.4.20 Furthermore, there may be housing delivery on windfall sites outside of allocations and on rural exception sites, requiring affordability in perpetuity.
- 6.4.21 However, whilst plans may not meet needs in full, there are policies and interventions that strategic Plan making authorities can adopt in order to maximise delivery, such as Neighbourhood Development Plans potentially containing thresholds for the provision of additional affordable housing over and above policy H4. Or potentially providing higher thresholds in acknowledgement that not all sites will meet those outlined in policy H4.
- 6.4.22 Ultimately, the Plan specifies that the final mix of affordable dwellings is to be agreed with the Housing Department who can provide an indication of existing need.
- 6.4.23 The Plan also supports the development of rural exception sites and entry level schemes.
- 6.4.24 The contextual text for policy H9 'Rural and First Homes Exception Sites' specifies that rural exception sites must provide affordable housing, to be secured through a S106 agreement.
- 6.4.25 In the assessment of the suitability of potential affordable housing exception sites, there will be a consideration of existing stock and potential supply of affordable housing secured through other sites and will not be permitted for large scale development of over 30 dwellings.
- 6.4.26 Ultimately, the following criteria in policy H9 apply in determining applications for rural exception schemes:
- Identified need that can't be met elsewhere,
  - Site is up to a maximum of 30 dwellings,
  - Proposed tenure and mix are evidenced to address need,
  - Prospective occupiers can demonstrate connection to the area, i.e. employment, residence,
  - Proposed homes, remain affordable in perpetuity,
  - Proposed site is in close proximity to the existing settlement boundary and not isolated,
  - Proposal is in proportionate scale to existing development.
- 6.4.27 Policy H9 also sets out criteria for determining First Home Exception Sites in addition to those above. These are as follows:
- Delivery of primarily First Homes,
  - Need for First Homes is evidenced and not being met elsewhere,
  - Proposed homes remain First Homes in perpetuity,

- Occupiers are first time buyers who meet the local connection criteria,
- Proposed site is in close proximity to the existing settlement boundary and not isolated,
- Proposal is in proportionate scale to existing development.

6.4.28 In addition, the policy specifies that applications for First Home exception sites that include the provision of market dwellings are expected to provide evidence to justify inclusion and prove that the scheme would be unviable without inclusion.

6.4.29 In addition to policy H9, policy NE10 'Development in the Countryside' the supporting contextual text states that *'The Council will support the conversion of existing buildings and the re-use of previously developed sites for rural affordable housing'*. This emphasises the Plans' approach to provide affordable housing throughout the district.

6.4.30 Policies such as H4 and NE10 as well as the potential for higher thresholds required by NDPs, have the potential to contribute to the supply of affordable housing, in the Plan area.

## 6.5 Review of relevant Local Plan Inspector reports

6.5.1 We have carried out a review of Local Plan Inspector reports which have all found the relevant submitted Local Plan sound. The Plans reviewed are those only found sound since 2021 and excludes plans submitted prior to 2018. Plans which were only reviews of extant development plans, less than 5 years old, were excluded. A total of 24 Local Plans and Inspector reports were reviewed, of these 3 were not of relevance, or the inspector report was not available. The list of 24 Plans reviewed is set out in the table below.

**Table 36. Local Plan Inspector Reports Reviewed**

Local Planning Authority	Date Local Plan Submitted for Examination	Date Local Plan Found Sound	Date Plan Adopted	Notes
Brent, London Borough of	17/03/2020	17/01/2022		Inspector satisfied that affordable housing need as identified by the SHMA had been met and that policy targets were in line with the London Plan. AH delivery is planned through obligations as well as the Council's own AH build programme.
Brentwood Borough Council	17/02/2020	23/02/2022	23/03/2022	In order to meet the identified need, Plan policy was flexible and requires a higher threshold (35%), than the need identified by the SHMA (30.6%). This was in recognition of the likelihood that not all sites will meet the identified thresholds. Inspectors consider that this was an appropriate response, which was justified and viable.
Castle Point District Council	02/10/2020	03/03/2022		Inspector acknowledged that there was a current shortfall in the delivery of AH that

				cannot be exported to other districts, which are also constrained. Ultimately Inspector concluded that ' <i>high...need in Castle Point, [where] national policy does not require that this is met in full through development plans.</i> ' The Inspector was not convinced that increasing the LHN would not bring forward significant numbers either.
Darlington Borough Council	22/12/2020	28/01/2022	17/02/2022	Significant delivery of AH on allocated sites was less than half of the identified need. Inspector concluded that most of the dwellings proposed were on sites that the viability assessment revealed to be marginally viable once all policy requirements and contributions had been considered. Inspector was satisfied therefore that Policy requirements were justified on the grounds of provision, deliverability and viability.
Dartmoor National Park - Local Plan Review	21/09/2020	01/11/2021	03/12/2021	National Plans Circular states that new housing provision should be focused on the delivery of AH. Past delivery and median house prices indicate a continuing and pressing need for affordable housing. New AH restricted by planning condition and/or legal agreement to ensure it is local need being addressed. Plan policy also contains relatively flexible definition of 'local person', that further helps local needs.
Doncaster Metropolitan Borough Council	04/03/2020	30/06/2021	23/09/2021	Inspector concludes that 'aspirational' but 'deliverable' target likely to meet AH need. Submitted policy does not deliver 10% of homes on major developments as affordable home ownership products (as per the NPPF). However, thresholds are based upon the of the Housing Needs Study which outlines that it is necessary to meet the needs of specific groups.
Eastleigh Borough Council	31/10/2018	14/03/2022	25/04/2022	Threshold in policy is higher than the identified need, however, based on possibility of AH loss during the Plan period. Also based on the likelihood that some sites will not provide the thresholds set by policy. Policy is flexible to viability and Inspector concludes that 'Whilst this approach may result in some circumstances where affordable housing needs will not be met in full' the policy is a realistic and proportionate approach.'
Folkestone & Hythe District Council - Core Strategy Review	10/03/2020	23/02/2022	30/03/2022	Does not directly address affordable housing provision.
Fylde Borough Council - Local Plan Review	21/10/2020	21/10/2021		Does not directly address affordable housing provision.

Halton Borough Council - Delivery & Allocations Local Plan	05/03/2020	22/02/2022	02/03/2022	Mechanism outlined in policy for delivering AH as a proportion of total housing on sites is unlikely to deliver the identified need for affordable housing in full, past delivery during initial phase of Plan a combination of policies and mechanisms are likely to contribute to meeting the need. Inspector also noted that the provision of 10% AHO significantly prejudiced the ability to meet identified affordable housing needs of residents who can only afford to access affordable or social rented homes due to low incomes. The Inspector considered the 10% blanket policy unjustified and inappropriate.
Hambleton District Council	31/03/2020	19/01/2022	22/02/2022	Inspector states that based on a threshold of 30%, as determined by the HEDNA and viability assessment, it is a reasonable prospect that AH needs will be met. Policy also includes ability to reappraise affordability on later phases of large schemes which the Inspector considered justified and appropriate.
Ipswich Borough Council - Local Plan Review	10/06/2020	17/02/2022	23/03/2022	The identified supply of AH justifies the Council seeking higher thresholds, however as per paragraph 34 of the NPPF, the Inspector notes that this should not undermine the deliverability of the Plan. As such a MM was included to remove the requirement of sites with 65% flats from the requirement to provide AH. Range of additional measures also supported by the Inspector such as the Council's own house building programme. The Inspector was satisfied that subject to the above change and when combined with the other measures above, that the Plan makes sufficient provision for the delivery of AH.
Isles of Scilly Council	30/09/2019	23/02/2021	25/03/2021	Inspector accepts that the planned provision is only based upon households in newly arising AH need over the Plan period and that a proportion of this will be market dwellings but that this figure appropriately balances the ambition to avoid further population decline and ageing, with the environmental effects of seeking to meet the identified need for affordable housing in full.
Lake District National Park	01/08/2019	15/03/2021	19/05/2021	Report not available
Lambeth, London Borough of - Local Plan Review	22/05/2020	22/07/2021	22/09/2021	Inspector notes that policy thresholds draw an appropriate balance between delivery of AH, sustainability, and viability amongst other policy requirements.
Northumberland Council	29/05/2019	26/01/2022	31/03/2022	Inspector satisfied that based upon past delivery during the Plan period as well as robust policy and allocated site size, that

				the Plan has a proportionate approach to the delivery of AH, that is justified by housing need and viability evidence.
Old Oak and Park Royal Development Corporation	04/10/2018	01/04/2022	22/06/2022	Inspector concluded that the Plan was in line with the London Plan and all AH needs would likely be met.
Rossendale Borough Council	25/03/2019	19/11/2021	15/12/2021	Inspector notes that the SHMA ' <i>identifies a high level of [AH] need...However, meeting [AH] needs in full would require a housing delivery rate which is far in excess of past trends</i> ' Past AH delivery does not reveal a consistent threshold has been achieved across all sites and the latest Viability assessment reveals going above 30% is largely unviable. Inspector concludes that on reflection 30% is achievable for nearly all sites, where reducing the threshold would impact the amount of AH delivered.
Southwark, London Borough of - New Southwark Plan	16/01/2020	17/11/2021		SHMA identifies acute need for AH. Submitted policy is in conformity with London Plan but in addition, seeks to secure the maximum viable amount of affordable housing on sites. Viability work revealed that thresholds any higher than 50% impacted viability and ultimately delivery. Plan policy contains no 'minimum' but instead, seeks the maximum amount of AH provision, informed by respective viability assessments. This approach was justified in the specific circumstances.
St Helens Metropolitan Borough Council	29/10/2020	18/05/2022	12/07/2022	Inspector noted that past delivery had been meeting the identified need since 2012 and when combined with Council and policy intentions is likely to the delivery of AH needs. The Inspector concludes that there was no evidence of a need to increase the housing OAN in order to deliver more AH.
Watford Borough Council	06/08/2021	20/09/2022	17/10/2022	Proposed delivery is ' <i>significantly below</i> ' identified need, however the Inspector acknowledges that viability evidence informs thresholds. Policy also enables a late-stage review mechanism, aimed at securing the maximum AH. Inspector concludes that they are satisfied that the Plan should be effective in securing the maximum amount of AH to meet identified needs.
Westminster, City of (City Plan 2019-2040)	19/11/2019	19/03/2021	21/04/2021	Inspector concludes that the Plan seeks to maximise AH provision whilst being realistic with regard to viability constraints where

				higher thresholds undermine viability and therefore, deliverability.
Worthing Borough Council	11/06/2021	14/10/2022		Inspector notes that the Plan <i>'does not, and cannot, realistically identify specific site allocations'</i> in order to meet its needs, in both market and AH. Inspector supports the variable approach to thresholds for AH provision adopted, aimed at maximizing delivery across the borough by providing flexibility, and allowing off-site provision where necessary.
Wyre Forest District Council - Local plan Review	30/04/2020	11/03/2022	26/04/2022	Inspector notes that past AH completions during the Plan period have helped reduce the overall need, but that <i>'it remains unrealistic, however, to expect the full need for affordable housing to be met through the Plan, given the extent of reliance on market-led schemes to deliver affordable housing, subject to viability.'</i> However, the Inspector was satisfied that the Plan and overall strategy sought to maximise to provide AH in sustainable locations.

- 6.5.2 Following our review of these recently examined Local Plans, which have been found sound there are several key points which need to be considered with respect to the provision of affordable housing.
- 6.5.3 In all the cases above, it was crucial that thresholds and planned provision of affordable housing delivery was based upon robust evidence.
- 6.5.4 Sources of evidence included recent past delivery of affordable housing, viability assessments, and evidence of constraints both LA wide and on a site-by-site basis.
- 6.5.5 In several cases above, Inspectors acknowledged that projected affordable housing provision would not meet all identified needs. However, where this shortfall was based upon robust evidence, as above, and did not compromise Plan delivery, it was acceptable.
- 6.5.6 However, in turn, it should also be noted that in these instances Inspectors noted that it was perceived that Council's and Plan's were seeking to maximise the potential delivery of affordable housing, often through a suite of policy and other mechanisms.
- 6.5.7 It is also clear from a couple of instances above that past affordable housing completions can and should be taken into account and can obviously contribute to the need identified for the Plan period.
- 6.5.8 On a couple of occasions, Inspectors also supported thresholds for tenures that departed from the NPPF policy, where they were justified and evidenced, on grounds of meeting other acute and identified needs.

- 6.5.9 Some inspectors also supported flexibility in policy, where it is needed in many cases, as thresholds will not be met, and there is also support for exception scheme policies as well as other mechanisms to boost supply.
- 6.5.10 Inspectors have allowed LPAs to include affordable housing provision policy that does not meet evidenced need but provides affordable housing, at a scale that is viable. However, Inspectors also noted that no provision, on unviable sites, would impact negatively upon the supply of affordable housing .

## **6.6 Recommendations**

- 6.6.1 We have reviewed national policy and guidance, recent Local Plan Inspector reports and the Council’s proposed Local Plan and evidence base. Following this review, we consider that there are several considerations for the Council in relation to the provision of affordable housing.
- 6.6.2 The Plan and Council acknowledge the inability to meet the affordable housing need in full but as per the NPPF must work collaboratively to establish if ‘development needs that cannot be met wholly within a particular plan area could be met elsewhere.’ (NPPF Paragraph 26)
- 6.6.3 Given the acute need for affordable and social rented tenure homes, explicitly identified in the HEDNA, the Council could potentially explore additional means of affordable housing provision, such as the inclusion of higher thresholds where viable.
- 6.6.4 The HEDNA advises that that the Council do not seek any more than 25% of affordable housing as First Homes, because if provision was any higher, this would impact upon the ability to provide other types of affordable housing, namely affordable/social rented.
- 6.6.5 The 25% provision, is in line with the recommendations of the HEDNA and is also compliant with NPPF policy requiring that a minimum of 25% of affordable housing is First Homes.
- 6.6.6 However, as outlined at paragraph 65 of the NPPF, exceptions to the provision of 10% of housing products on major schemes as AHO, include the impact that this provision may have in prejudicing the ability to meet the identified needs of other groups. In this instance, those in affordable and social rented need.
- 6.6.7 It is therefore emphasised and recommended that the proposed thresholds for affordable housing provision are potentially revisited and reviewed with the aim of addressing more of the affordable and social rented need.
- 6.6.8 This is supported by the HEDNA which also advises that the 10% AHO as specified by the NPPF may not be the best approach for the Plan area given the identified need for social/affordable rented housing.

- 6.6.9 One policy that Inspectors were minded to support was the use of a higher affordable housing provision threshold (where possible, and based upon viability) than the identified need, in the recognition that not all development sites will achieve set provision thresholds.
- 6.6.10 It is recommended that the Council explore the potential for the inclusion of a flexible policy such as this.
- 6.6.11 In addition, it is recommended that the Council explore the possibility of potentially using Council owned land assets in the provision of affordable housing and potentially further increasing supply.
- 6.6.12 There is currently, no evidence of a policy in the Plan that provides specific detail on how any of the unmet need will get built, and where any unmet need is located.
- 6.6.13 As with the analysis and recommendations of the supply of housing for older people it is recommended that a windfall policy is devised that enables suitable development where appropriate and potentially increases the supply of affordable homes.



## 7.0 SUMMARY & CONCLUSIONS

### 7.1 Overview and Methodology

7.1.1 Lambert Smith Hampton (LSH) were instructed by Chichester District Council to review a range of evidence base documents and the Regulation 19 Local Plan Review consultation document.

7.1.2 The review explored the following areas in detail and advises the Council of any necessary actions arising prior to the submission of the Local Plan for examination.

7.1.3 The Council sought advice on 5 main areas, these are as follows:

- The necessary buffer to be applied to the housing requirement
- Review of the proposed housing trajectory
- Appropriate windfall allowance for the Local Plan Review
- Older Persons Housing – Meeting the Need
- Affordable Housing – Meeting the Need

7.1.4 Each of the topics above has a respective section with a policy review, national and proposed Local Plan, a review of the relevant and applicable evidence base, and finally, recommendations, where applicable.

### 7.2 Recommendations

7.2.1 The recommendations from the review are set out in the relevant actions below:

i) *The necessary buffer to be applied to the housing requirement*

7.2.2 The main recommendations in relation to the necessary buffer for the housing requirement are as follows:

- We would recommend that the Council takes an approach where past completions are netted off against the total requirement, for this approach to be used post-adoption, it would need to be explicitly referenced in an appropriate policy within the Plan.
- There does not appear to be a policy setting out the Council's approach to monitoring, although appendix F has the monitoring framework listed. This does not however refer to how 5YHLS will be monitored and the Council's approach to this. The approach to 5YHLS needs to be either referred to in a monitoring policy, or it needs to be set out in the monitoring framework. If this is not done, then past completions would not be netted off against the remaining requirement.

ii) *Review of the proposed housing trajectory*

7.2.3 The main recommendations in relation to the proposed housing trajectory are as follows:

- Primarily, we recommend that the trajectory is revisited and reviewed as per the advice provided in the section 2 of the 'Five Year Housing Land Supply Review' report of November 2022.
- It is also advised that the review of the allocation trajectory is carried out in light of the requirement, and ultimately to see what potential revisions may have on the 5YHLS position throughout the Plan period, but crucially upon adoption.

iii) Appropriate windfall allowance for the Local Plan Review

7.2.4 The main recommendations in relation to an appropriate windfall allowance are as follows:

- Include a specific windfall policy for the actual delivery of such sites.
- Include a criteria-based windfall policy that helps guides decision makers and/or applicants in dealing with windfall proposals.

iv) Older persons housing – Meeting the need

7.2.5 The main recommendations in relation to accommodation for older people area as follows:

- Inclusion of a windfall policy to allow proposals for specialist accommodation for older people to come forward in sustainable locations.
- A specific allocation may help further address the acute need and will provide prospective developers with security amongst competition for more lucrative land uses.
- Include an indicator in the monitoring framework in order to measure the success in the delivery of specialist accommodation.

v) Affordable housing – Meeting the need

7.2.6 The main recommendations in relation to affordable housing are as follows:

- The potential inclusion of a stringent and explicit policy which sets thresholds for the provision of affordable housing, which limits the ability of prospective developers to depart from it.
- The Council explore the potential to alter the affordable housing provision thresholds given the advice in the HEDNA which identifies the acute need for affordable and social rent.
- The exploration of the potential use of Council owned land assets in the provision of affordable housing.
- Devise and include a windfall policy analysis that enables suitable development where appropriate and potentially increases the supply of affordable homes.