

Chichester Local Plan Examination – Hearing Statement

Matter 4C: Housing (part 1)

Questions 60 - 90

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Matter 4C: Housing (part 1)

This hearing statement has been produced as part of the examination of the Chichester Local Plan. It answers the Inspectors' questions 60 - 90, relating to **Matter 4C: Housing**.

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Matter 4C: Housing (part 1)

Issue: Is the proposed approach to housing development positively prepared, justified, effective, and consistent with national policy?

Local Housing Need

Q.60 Is there any substantive evidence to demonstrate that it would be appropriate to plan for a higher housing need figure than the standard method indicates in this case as per advice set out in the PPG (Paragraph: 010 Reference ID: 2a010-20201216)?

- 1.1 Paragraph 010 Reference ID: 2a010-20201216 of the PPG, refers to circumstances when it might be appropriate to plan for a higher housing need figure than the standard method indicates. The guidance is clear that this is prior to and separate from, consideration how much of the overall need can be accommodated. The PPG lists three circumstances where increases in housing need are likely to exceed past trends. These are: growth strategies where funding is in place to promote and facilitate additional growth; strategic infrastructure improvements that are likely to drive an increase in homes needed locally; and an authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground.
- 1.2 The council has considered these circumstances in the Housing Need Background Paper (July 2024, BP06), as informed by the Housing and Economic Needs Assessment (HEDNA) (April 2022, H06). The BP paragraph 4.9 concludes that there are no growth strategies in place or planned which would be likely to promote and facilitate additional growth¹. The BP paragraph 4.10 looks at strategic infrastructure improvements and refers to the Solent Freeport area, which has the potential for new job creation but concludes that this would not drive an increase in homes needed locally that would not be met by the standard method figure².
- 1.3 As documented in the Duty to Cooperate Statement of Compliance (April 2024, SD06) the council has not agreed, through a statement of common ground, to take on unmet need from any neighbouring authorities (including the South Downs National Park Authority). Further detail on unmet need is provided under the council's response to Q61 below.
- 1.4 There is no evidence to demonstrate that it would be appropriate to plan for a higher housing need figure than the standard method indicates.

¹ HEDNA 2022, para. 4.24.

² HEDNA 2022, para. 4.25 – 4.26

Unmet needs of neighbouring areas

Q.61 Is there any substantive evidence that the Plan should be accommodating unmet need from neighbours, and if so, would it be sound to do so?

- 1.5 Yes, there is evidence of unmet need, as discussed below, but there is no evidence to justify it being accommodated within the Chichester plan area, for the reasons set out below.
- 1.6 The Housing Need Background Paper, paragraphs 4.11 – 4.18 sets out the level of unmet need from neighbouring areas and how this has been considered. Paragraphs 4.33 – 4.43 of the HEDNA (April 2022, H06) also provides evidence of the level of unmet need from neighbouring authorities. This has also been informed by ongoing engagement with neighbouring authorities through the duty to cooperate, as recorded in the Duty to Cooperate Statement of Compliance (April 2024, SD06) and in individual Statements of Common Ground (SC03, SC07, SC08).
- 1.7 Paragraphs 4.12 – 4.14 of the Housing Need BP and Figure 1 below describes the housing market areas within which the Chichester plan area falls, as this provides context for the duty to cooperate discussions around unmet need from other authorities.

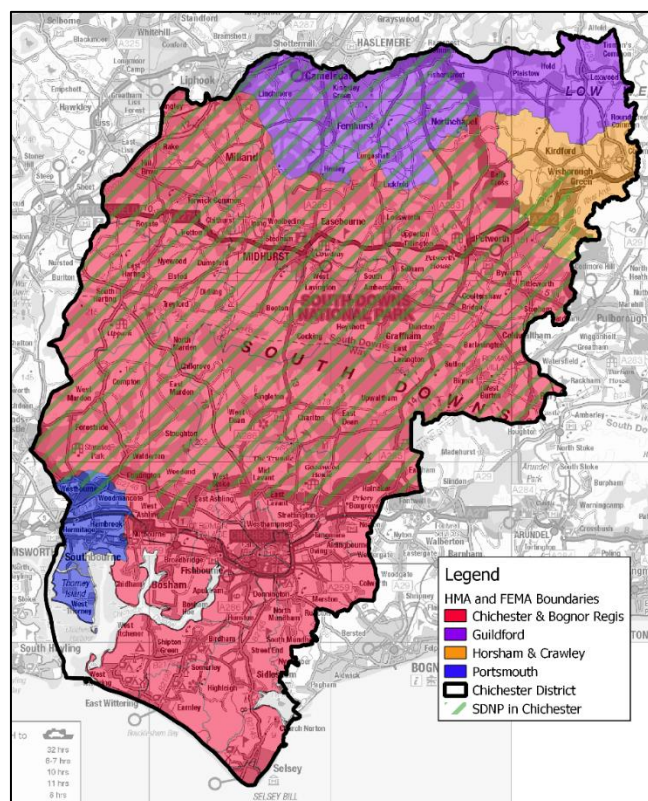


Figure 1: Housing Market Area and Functional Economic Market Area Boundaries

- 1.8 There are potential unmet needs from Havant (see SC03, May 2024) in the region of 4,000 dwellings over a plan period of 2022/23 – 2042/43, but as Havant Borough Council is still preparing its Local Plan (currently working on developing a draft of the Plan with submission scheduled in their LDS for Q4 2025), the exact figure and development strategy is not clear and it was agreed that Chichester District Council was not in a position to delay its Local Plan until HBC's development strategy was clearer.
- 1.9 Crawley, Horsham and Mid Sussex councils have worked together as part of the North West Sussex HMA (which covers the northern half of West Sussex). The villages of Kirdford and Wisborough Green are in the part of the Chichester plan area which fall within the Crawley and Horsham HMA.
- 1.10 The adopted Local Plans for Horsham, Mid Sussex and Reigate and Banstead all include recognition that their housing provision figures will contribute to meeting the wider needs of the North West Sussex HMA.
- 1.11 A request was made under the Duty to Cooperate by Crawley BC (14 April 2023) for assistance in addressing its identified unmet housing need, based on the standard methodology, of 7,050 dwellings over the plan period from 2024 - 2040. This is out of a total housing need of 12,080 dwellings (755 dwellings per annum (dpa)). The borough's land supply allows 42% of the need to be met on sites within the Crawley boundary (average of 314 dpa). A signed Statement of Common Ground for the Northern West Sussex Authorities (May 2020)³ agreed that the authorities would continue to work positively together to seek to address housing needs of the HMA, therefore Crawley BC are anticipating (as set out in the Topic Paper 1: Unmet Needs and Duty to Cooperate, May 2023⁴) that its unmet need will continue to be met within the NWS HMA, but recognising that the final outcomes of meeting the full housing need for the HMA will need to be established through reviews of each of the Local Plans independently.
- 1.12 CDC responded that we would not be able to assist in meeting unmet needs from Crawley, as in the event that CDC were able to assist other authorities with unmet needs, we would first need to assist with any unmet needs arising from the Chichester District area of the South Downs National Park.
- 1.13 In addition, CDC has sought to increase the numbers at both Kirdford and Wisborough Green (which fall within the same HMA as Crawley) in order to maximise the potential for growth from the north east of the plan area, but the work undertaken⁵ concluded that neither settlement would be suitable for

³ [Northern West Sussex Statement of Common Ground \(May 2020\) CBC, HDC, MSDC, WSCC](#)

⁴ Topic Paper 1: Unmet Needs and Duty to Cooperate, May 2023 (PS/RH02)

⁵ See Housing Distribution Background Paper (July 2024, BP06) and Sustainability Appraisal (January 2023, SD03.01)

significantly higher growth levels. Therefore, there is no suitable opportunity to meet any unmet needs from Crawley.

- 1.14 Following the Crawley examination, the Inspectors report concluded that the amended unmet housing need would be 7,505 over the plan period.⁶
- 1.15 Horsham District Council is part of the NWS HMA, as detailed above, and is also constrained by water neutrality. The adopted Horsham Local Plan 2015 did not result in any unmet needs.
- 1.16 The Horsham Regulation 18 draft Local Plan (2020) was exploring options for up to 1,400 homes per year to meet their own need as well as the unmet needs from Crawley and the Coastal Sussex area, but this was prior to the water neutrality issue. As of November 2023, the identified housing need (using the standard method) was calculated to be 917 dpa. Horsham's Housing Delivery evidence sets out that Horsham District will not be able to accommodate this level of growth. The Regulation 19 Plan set out an annualised housing target for the plan period 2024 – 2040 of 777 dpa, with a stepped trajectory that rises from 480 dpa in years 2023/24-2027/28 to 901 dpa in the years 2028/29-2039/40. This means Horsham will have a shortfall of around 2,275 over the plan period.
- 1.17 HDC wrote to CDC on 24 November 2023 confirming that they were unable to meet their needs in full and asking CDC for assistance in meeting needs.
- 1.18 On 18 December 2023, CDC responded to confirm that it was not able to accommodate any of Horsham District's unmet need at the current time. Horsham have submitted their plan for examination in July 2024 and their LDS has adoption in May 2025.
- 1.19 As set out in the SoCG between Horsham and Chichester councils (SC07) both parties agreed that the primary housing market for Horsham District is the Northern West Sussex HMA, whose development needs are substantially driven by the Crawley/Gatwick sub-region, and it is this HMA that would be prioritised with respect to meeting unmet development needs arising within the HMA. It is similarly agreed that the primary HMA for Chichester District is the Chichester and Bognor Regis Housing Market Area (HMA) but that there is overlap between the two HMAs at the northern eastern part of Chichester District around Wisborough Green.
- 1.20 The South Downs National Park Authority (SDNPA) formally requested (5 February 2018)⁷ that CDC considered whether it could accommodate some or

⁶ Crawley Borough Council Inspectors Report (September 2024, PS/RCC01)

⁷ Letter from SDNPA (Tim Slaney) to CDC (Andrew Frost) dated 5 February 2018 (PS/H14)

all of the unmet need arising from the part of the National Park within Chichester District. At that time, the unmet need figure was 44 dwellings per annum for the Chichester District part of the SDNP. This request was considered by CDC Full Council on the 6 March 2018⁸ and it was agreed that CDC would ‘assess its ability to meet some or all of the unmet housing needs arising from the part of the South Downs National Park within Chichester District via the Chichester Local Plan Review’. Following this decision, a Statement of Common Ground with the SDNPA (5 April 2018) was agreed which confirmed that CDC would assess its ability to meet some or all of the unmet housing needs arising from the part of the SDNP within Chichester District through the emerging Chichester Local Plan⁹. The need arising from inside the SDNP within Chichester District was calculated to be 125 dpa¹⁰ and the total annual unmet need was 44 dpa. The Chichester Preferred Approach Local Plan (2018) therefore set a target of 12,350 dwellings between 2016 – 2035 which included an allowance for accommodating this unmet need, as it was considered at the time that this could be accommodated.

1.21 Therefore, if the unmet need from the SDNP was accounted for in the Chichester plan area, the figure would be 682dpa. However, the NPPF para 35 (a) states “Positively prepared - providing a strategy which, as a minimum, seeks to meet the area’s objectively assessed needs; and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development.” This means that authorities can consider whether it is practical to take unmet need and whether to do so would be consistent with achieving sustainable development. In Chichester’s case, the constraints of the A27 mean that it would now not be practical to take any unmet need, as the authority is unable to meet its own needs. The Proposed Submission Local Plan (2021 – 2039) sets out this position, which was agreed by the Council¹¹ (24 January 2023).

1.22 The SDNPA response to the Chichester Local Plan Proposed Submission states that they have commissioned an evidence study of development need, as part of the review of the South Downs National Park Local Plan (due to go out to consultation in early 2025). The SDNP HEDNA (Sept 2023) has been published and includes a ‘bottom up’ (based on local demographic evidence) housing need figure for the Chichester area of the SDNP of 102dpa. The SDNPA are currently unable to confirm the updated housing requirement figure for that part of Chichester District within the National Park or how much of that

⁸ [Agenda for Council on Tuesday 6 March 2018, 2.00 pm - Chichester District Council \(modern.gov.co.uk\)](#) PS/H15

⁹ [South Downs National Park Authority Statement April 2018.pdf \(chichester.gov.uk\)](#)

¹⁰ HEDNA (April 2022), para. 4.17 – 4.21. PS/H16

¹¹ [Agenda for Council on Tuesday 24 January 2023, 2.00 pm - Chichester District Council \(modern.gov.co.uk\)](#) PS/H17

need can be accommodated within the National Park as the SDNPA is at an early stage in their Local Plan Review. As set out in para. 7.7 of the SoCG with the SDNPA (SC08) the SDNPA acknowledges that CDC consider that they are unable to accommodate any current unmet need arising from that part of the National Park within Chichester District because of the identified constraints.

- 1.23 The Worthing Local Plan was adopted on 28 March 2023, with a housing requirement of 230 dpa (3,672 total) some way short of the borough's OAHN and therefore generating an unmet need. Para 1.42 of the adopted Local Plan recognises that not all the housing needs can be met within the borough and that the council will continue to work with neighbouring authorities and partners through the Duty to Cooperate to explore all options on whether there is any ability for other areas to deliver some of Worthing development needs, and how this might be achieved. The Inspector's report recognised that the Duty to Cooperate evidence suggested that neighbouring councils were having similar problems in meeting their own needs.
- 1.24 The council has also had approaches from Lewes and Elmbridge councils but these are not directly neighbouring authorities or within the same Housing Market Area as Chichester. As with the other areas because Chichester cannot meet its own needs it would not be able to address the unmet needs of others, particularly those outside of its HMA.
- 1.25 As set out in the Housing Need BP paras 4.17 – 4.18 CDC have not entered into any agreements with any of the authorities to meet any of their unmet needs. In relation to the unmet needs from the South Downs National Park, the evidence¹² now demonstrates that CDC are now unable to meet any unmet need from the SNDP, a position which is acknowledged by the SDNPA in their response to the Regulation 19 consultation on the Local Plan.

Affordable Housing need

Q.62 Is there any substantive evidence to demonstrate that there should be an adjustment to the minimum housing requirement to help deliver affordable housing with regard to the PPG (Paragraph: 024 Reference ID: 2a-024- 20190220), and if so, would that be effective?

- 1.26 The PPG (Paragraph: 024 Reference ID: 2a-024- 20190220) requires consideration to be given to the relationship between the assessed need and affordable housing to determine if an increase in total housing figures could help deliver the required number of affordable homes.

¹² See Transport Background Paper (July 2024, BP14) and Housing Need Background Paper (July 2024, BP06)

- 1.27 The HEDNA considers this issue at para. 4.27 – 4.32. This points to the analysis showing a total need for 587 affordable homes to buy and rent per annum (nominally 77% of the standard method local housing need figure). However, as the HEDNA notes (at 4.30) it is inappropriate to use this “mechanical relationship to consider how affordable housing provision and overall housing need relate to one another”
- 1.28 The HEDNA highlights the fact that the affordable housing need includes an element of double counting with the overall housing need, as newly forming households form part of both figures. In addition, many households in affordable housing need are already in a home they would release should an alternative affordable home be provided for them. Therefore, they would not result in a net need for an additional home. Table 6.17 of the HEDNA excludes this latter group and the resultant affordable housing need (including newly forming households) is 176 per annum which is nominally 23% of 763 dwellings.
- 1.29 As a consequence, there is no substantive evidence to demonstrate that there should be an adjustment to the minimum housing requirement to help deliver affordable housing.

Housing needs of different groups in the community

Q.63 Is the Plan positively prepared in assessing and reflecting in its policies the size, type and tenure of housing needed for different groups in the community as per NPPF 62?

- 1.30 Yes, the needs of groups with specific housing requirements have been appropriately addressed. Paragraph 62 of the NPPF requires the size, type and tenure of housing needed for different groups in the community to be assessed and reflected in planning policies. The NPPF specifically refers to those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes.
- 1.31 The HEDNA assessed the needs of the groups of people identified in paragraph 62 (excluding Travellers, assessed under the GTAA). The HEDNA was initially produced in August 2018 (H08) and updated in 2020 (H07) and again in April 2022 (H06). The April 2022 update was not a full HEDNA but a targeted review of the main outputs which updated the housing market, housing need, affordable housing need, the need for older persons housing and other groups.
- 1.32 The following provides a summary to demonstrate how the needs of particular housing groups are reflected in the Plan’s policies:

Affordable Housing

- 1.33 Table 6.16 of the HEDNA (2022) identifies a need for 208 social and affordable rented houses per annum for the plan area (to 2039), spread across the sub-areas.
- 1.34 Policy H4 'Affordable Housing' sets out the affordable housing provision required from new development and the tenure split of that provision. The policy requires provision of 40% on greenfield sites and 30% on previously developed land in the north of the plan area (part 1a), It also requires 30% on greenfield sites and 20% on previously developed land in the south of the plan area (part 1b). Further detail on the justification for the percentage of affordable housing required is set out in the response to Q76 below.
- 1.35 Policy H7 'Rural and First Homes Exception Sites' provides a means of meeting local affordable housing needs in rural areas.
- 1.36 The HEDNA (2022) analysed the tenure split between social and affordable rented housing and recommended (para. 6.82) that the council should not have a rigid policy for the split between social and affordable rented housing, but that both tenures are likely to be required. In terms of affordable home ownership, the HEDNA (2022) (para 6.94, table 6.22) estimates a gross need of 236 homes per annum (this exclude the South Downs National Park). The net need (allowing for resale of affordable home ownership products) is 225 (para 6.97, table 6.23) dwellings per annum.
- 1.37 Policy H4 includes a tenure split of 25% of the affordable housing provisions to be made up of First Homes, for first time buyers at a minimum discount of 30% from market value. 35% is to be provided as social rent, 22% affordable rent and 18% shared ownership. The policy allows for an alternative tenure split where there is robust justification, which allows for some flexibility if required to meet specific requirements.

Families with children

- 1.38 The HEDNA (2022) chapter 7 makes recommendations on the appropriate mix of housing and Policy H5 'Housing Mix' sets out the requirements to make sure that the type and size of homes provided meet the identified local needs and market demands and, for affordable housing, the housing register. Based on the analysis of the evidence the HEDNA (paras 7.29 – 7.35 and table 7.22) suggests a size mix for each tenure as follows:

Size	Social/ Affordable rented	Affordable home ownership	Market
1 bedroom	35 - 40%	20 – 25%	5 – 10%
2 bedroom	35 - 40%	45 – 50%	30 – 40%

3 bedroom	15 – 20%	20 – 25%	35 – 45%
4+ bedroom	5 – 10 %	5 – 10%	15 – 20%

1.39 Policy H5 also allows for account to be taken of the Housing Register in determining the appropriate mix of affordable housing units at any given time. Alternative mixes are also allowed if there is robust evidence that demonstrates a different mix of dwellings is required to meet local needs and help redress any housing imbalance. It also allows for an alternative mix where it would address the need for self and custom build housing, older person accommodation and other specialised housing.

Older people and those with a disability

1.40 Chapter 8 of the HEDNA (2022) provides the evidence on need for specialist accommodation for older people and the need for housing to be built to M4(2) and M4(3) accessibility and wheelchair standards. Paras 8.82 – 8.88 provide a summary of the evidence which highlights the need for:

- between 1,200 and 1,700 housing units with support (sheltered/ retirement housing) split between market and affordable housing
- between 900 – 1,000 additional housing units with care (extra-care) focussed on the market sector
- additional nursing care bedspaces
- around 1,150 dwellings to be for wheelchair users (M4(3)).

1.41 The evidence including health statistics and projections for a range of disabilities as well a rapidly aging population suggested that as a starting point, the council could consider requiring all dwellings to meet the M4(2) standards and around 10% of homes meeting M4(3). The council’s approach is set out in Policy H10 ‘Accessible and Adaptable Homes’ which sets a percentage targets for 5% of affordable housing to meet the wheelchair accessibility standards (M4(3)) (where there is an identified need on the Housing Register) and for all remaining affordable and market dwellings to meet ‘Part M4(2) accessible and adaptable dwellings’. For more detail on how the council arrived at the percentage targets, see council’s response to Q89.

1.42 To provide for housing with support, housing with care and nursing care bedspaces, the following Strategic Locations/Allocations are required to include specialist accommodation for older persons, including a component of care or support:

- Policy A8 Land East of Chichester
- Policy A10 Land at Maudlin Farm
- Policy A11 Highgrove Farm, Bosham
- Policy A12 Chidham and Hambrook
- Policy A13 Southbourne Broad Location for Development

- Policy A14 Tangmere
- Policy A15 Loxwood

1.43 However, it should be noted that planning permission has been granted for sites within Chidham and Hambrook parish¹³ which meet the overall housing numbers set out in policy A12, it should be noted these permissions have no specific provision towards older persons accommodation.

1.44 Policy H8 'Specialist accommodation for older people and those with specialised needs' provides a positive approach to delivery and requires all housing sites over 200 units to include specialist accommodation for older people with a support or care component.

1.45 The Policy also provides criteria against which applications for specialist housing will be considered and includes a clause to prevent the loss of specialist accommodation where it is still required. This provides a policy mechanism for additional supply of specialist accommodation to come forward.

Students

1.46 The HEDNA considers the housing needs of students and the relationship between the student population and Homes in Multiple Occupation (HMO) (paras 9.18 – 9.47). The consultants engaged directly with the University of Chichester to understand its student growth and expansion plans. The University is seeking to deliver a net growth of 350 bedspaces to meet accommodation demand. The HEDNA recommends that the council continues to engage with the University regarding opportunities to provide additional bedspaces for students but that the growth in students would not necessitate an increase in the overall supply of housing resulting from the standard method.

1.47 Policy H8 'Specialist accommodation for older people and those with specialised needs' provides criteria against which applications for student and HMO accommodation will be considered and includes a clause to prevent the loss of specialist accommodation where it is still required.

Service families

1.48 Paras 9.48 – 9.59 of the HEDNA considers the needs for service families and concludes that based on the evidence and steps being taken at a District and County level, that there is no need for further intervention from the council in respect of service families.

¹³ Applications Refs 20/01826/FUL, 20/01854/OUT, 20/03320/OUTEIA, 20/03321/OUTEIA, 20/03378/OUT

Custom and self-build

- 1.49 Paragraphs 9.60 - 9.75 of the HEDNA consider the need and potential approach to custom and self-build dwellings. However, due to a change in the council's register, in order to cover only the plan area an updated Custom and Self Build Note was prepared (March 2024, H13).
- 1.50 The Custom and Self Build Note identified an annual average of 53 registrations on the council's register for the plan area (between 2019/20 and 2022/23) and over a longer period (since 2018) the figure is 12.
- 1.51 The Note also identifies a supply of 28 units per annum from windfall provision, which is short of the upper end of the demand range (53).
- 1.52 In order to address the future and backlog need, Policy H6 seeks to support the provision of custom and/or self-build homes. The Policy requires new sites over 200 units allocated in the Local Plan to ensure 2% of plots are available for custom and self build as set out in the relevant site-specific allocation policies and in all other instances 2% of market units on strategic scale housing sites should be self/custom build.
- 1.53 However, following the updated evidence on need, the council proposes an amendment to the Plan to increase the level of self/custom build provision (see Council's suggested modifications schedule (April 2024, SD10.01) ref CM165). The proposed amendment requires that 5% of plots on new strategic sites are self/custom build.
- 1.54 The policy also explicitly states that self/custom build plots are encouraged as part of all other development sites. There will also be opportunities through neighbourhood planning to allocate smaller sites for self/custom build plots.
- 1.55 The Policy refers to the following site specific policies (which also include proposed modifications to increase the number of plots provided – see Council's suggested modifications schedule (April 2024, SD10.01) refs included below):
- Policy A8 Land East of Chichester (CM304)
 - Policy A10 Land at Maudlin Farm (CM315)
 - Policy A11 Highgrove Farm (CM322)
 - Policy A13 Southbourne Broad Location for Development (CM334)
- 1.56 Policies A12 (Chidham and Hambrook) and A15 (Loxwood) also require the provision of self/custom build if there is evidence of local need. However, as speculative applications in the parish of Chidham and Hambrook have met the strategic parish number set out in Policy A12, there would only be provision

should the parish council choose to plan for any local need through a neighbourhood plan.

Travellers

1.57 Policies H11 – H14 deal with meeting the needs for Gypsy and Traveller and Travelling Showpeople and are covered under questions 91 – 106.

Policy H1 Meeting Housing Needs

The housing requirement

Q.64 Policy H1 Meeting Housing Needs sets a housing requirement for the full plan period 2021 – 2039 of at least 10,350 dwellings. This is below the local housing need for the area as determined by the standard method.

The justification for the proposed provision of 535 dpa in the southern area has been considered under Matter 4A Transport. Is the proposed figure of 40 dpa in the northern part of the plan area justified?

1.58 The Housing Distribution Background Paper (July 2024, BP05) paragraphs 4.28 – 4.29 summarises the work carried out by the council, informed by the SA process, to test different development scenarios in the northern plan area and ensure that there was ‘no stone unturned’ in seeking to find alternative spatial distributions to contribute to meeting the housing need.

1.59 The relevant parts of the SA (January 2023, SD03.01) are Sections 5.4 (paras 5.4.7 – 5.4.9), which presents the parish/ settlement scenarios that fed into Section 5.5 (reasonable growth scenarios) and in turn the reasonable growth scenarios appraisal in Section 6.3. Appendix V provides the detailed analysis of the parishes in the north-east plan area, which informed the scenarios appraised. Para. 7.3 of the SA (the preferred growth scenario) provides the councils reasons for supporting a blend of Scenarios 1 and 2 (with an adjustment of Loxwood) in light of the appraisal.

1.60 The Housing Need Background Paper paragraphs 5.14 – 5.17 also sets out the outcome of testing alternative levels of housing in the northern plan area and summarises the testing process that was carried out to arrive at the parish housing numbers for the northern plan area.

1.61 The figure of 40dpa in the north is also derived from the housing trajectory evidence in terms of completions, commitments and windfall. The SA (January 2023, SD03.1) set out this figure as 315 dwellings, which when added to the proposed allocations figure of 370 in the north totalled 685 dwellings for the plan period. This averaged over the 18 year period results in annual requirement of 38 dwellings per annum, which was rounded to result in the proposed 40 dwellings per annum figure.

Q.65 Would the adverse impacts of the Plan not providing for objectively assessed housing needs significantly and demonstrably outweigh the benefits of doing so when assessed against the policies in the NPPF taken as a whole? That is to say is the overall housing requirement justified?

1.62 Yes, the overall housing requirement is justified. Paragraphs 5.25 – 5.29 of the Housing Background Paper sets out the council's consideration of the NPPF para 11 b) ii) which concludes that whilst there are significant negative effects of not meeting the full local housing need, these are outweighed by the significant impacts that would be generated by seeking to meet the full local housing need on the transport network when this would be likely to have an unacceptable impact on highway safety and result in severe cumulative impacts on the road network in the absence of the necessary infrastructure improvements. This justifies the reduced housing requirement of 575 dpa.

1.63 However, it is also acknowledged that due to the uncertainty created by National Highways not accepting that the current transport model can be used to determine the level of impact that would be caused by a higher level of growth, the council accepts that the proposed approach is both precautionary and pragmatic, enabling a Local Plan to be progressed now in a manner that releases land for residential development and enables effects on the highway network to be appropriately controlled.

Q.66 Paragraph 5.2 of the Plan sets out that the housing requirement would be made up of 535 dpa in the southern area and 40 dpa in the northern area. These figures are not included in Policy H1. Is this effective?

1.64 Policy H1 includes the plan total of 10,350 dwellings, rather than including the annual requirement figures for the southern and northern areas. This is because the table setting out the housing supply is not broken down by area.

1.65 The council have suggested an additional modification (see Council's suggested modification schedule, Version 2, CDC15.01, ref CAM412 and below).

Additional suggested modification: CAM412

Amend para. 5.2 ...housing requirement below the need derived from the standard method, of **575** ~~535 dpa in the southern area and a further 40 dpa in the northern plan area...~~

Additional suggested modification: CAM413

Amend first sentence of Policy H1 'The housing target for the plan area is to provide for at least 10,350 dwellings (575dpa) to be delivered...'

Q.67 Are the suggested MMs necessary for soundness?

1.66 Yes. CM155 to CM158 are factual corrections and updates which relate to the justification for the supporting text.

1.67 Yes. CM159 has updated the table in Policy H1 to reflect the latest monitoring data at the time. The latest position and further update to Policy H1 is set out in the response to Q68 below, to ensure consistency of the evidence supporting the Plan.

Housing land supply

Policy H1 Meeting Housing Needs sets out the broad sources of supply to meet the housing requirement. Housing land supply will be provided by the Plan, the existing site allocation DPD, a new DPD and Neighbourhood Plans. The Plan therefore is not singly providing for all the supply in the plan period, though it is setting the overall housing requirement.

Q.68 Are the components of the overall housing land supply set out in Policy H1 (as updated in BP07 Housing supply background paper) justified? Specially: Is footnote 29 as set out in the submitted Plan regarding Site Allocation DPD allocations correct given that policies of that plan are not to be superseded by this Plan? What is the compelling evidence that windfall sites will make the anticipated contribution to housing land supply over the plan period?

1.68 The evidence for inclusion of the different components of the overall housing land supply is set out in the Housing Supply Background Paper (BP07), and where necessary has since been updated and in the Five Year Housing Land Supply Paper (PS/CD08). Table 12 from BP07 has been updated below and shows the components of supply and their individual contribution to meeting the housing requirement over the plan period. Sites which have already completed and those with extant permissions comprise 48% of the supply, 21% is from extant allocations, 24% from emerging allocations and 7% from future windfall development.

Housing Supply	No. Dwellings	% of total plan figure
Net completions 1 st April 21 – 31 st March 24	2,326	21%
Planning permissions as of 1 April 2024	2,957	27%
Sites allocated in Local Plan 2014-2029	2,160	20%
Sites allocated in made Neighbourhood Plans	94	1%
Windfall	720	7%
New Strategic Locations/ BLD, Strategic Allocations and Non-Strategic Parish Housing Requirements contained within the submission Local Plan	2,644	24%
Total Projected Housing Supply	10,901	

- 1.69 It is only necessary for emerging policies and allocations within the Plan to be justified, as extant allocations in other parts of the development plan are not being examined and those sites which are completed have already been accounted for.
- 1.70 The justification for the proposed allocations in the Plan, is set out for each site in the Council’s response to Matter 6. The Council considers that it is necessary to make housing allocations in the Plan to meet the requirement over the plan period, overall the proposed allocations are justified and will contribute to housing supply.
- 1.71 The purpose of footnote 29 is to show that extant allocations from the Site Allocations DPD contribute to the known commitments of housing supply for the plan period. The footnote can be amended to reflect that the Site Allocations DPD remains part of the development plan, but the sites are not also being allocated in to the Local Plan, or in other words ‘re-allocated’.

Additional suggested modification CAM401:

Delete footnote 29:

~~“Carried forward in this Local Plan (see Policy H2 Strategic Locations/ Allocations 2021-2039 Site Allocations DPD 2014—2029)”~~

- 1.72 The justification for the Windfall allowance is set out in the Housing Supply Background Paper (BP07). The Policy Advice note from Lambert Smith Hampton (H11) sets out the analysis of windfall completions in the plan area. As detailed in paragraphs 3.30 -3.36 of the Housing Supply Background Paper (BP07) there is compelling evidence for a reasonable windfall allowance to be included in the housing trajectory over the plan period. To avoid double-counting of sites that have already gained planning permission, windfall allowance in the first five years has been reduced, starting from 2027/2028.
- 1.73 Appendix 2 of the submitted document – ‘Council’s suggested modifications schedule - Appendices 1-7’ (SD10.02) updated the figures for Policy H1. To take account of ongoing housing monitoring, a further update to Policy H1 has completed (see also Council’s suggested modifications schedule - Appendix 2 Version 2, CDC15.02).

Additional suggested modification CAM427:

	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 2024	2,326
	b. Known commitments (<i>comprising</i>)	5,211

(1 April 2021 to 31 March 2039)	<i>i) 2015 Local Plan and Site Allocation DPD 2014 – 2029 allocations without planning permission</i>	2,160	
	<i>ii) 'Made' Neighbourhood Plan allocations without planning permission</i>	94	
	<i>iii) Planning permissions as of 13 September 2024¹⁴</i>	2,957	
	c. New Strategic Locations/Broad Location for Development and Allocations (comprising)		2,396
	<i>i) Strategic Locations/Broad Location for Development and Allocations (Policy H2 Figures)</i>	3,210	
	<i>ii) Less permissions granted</i>	(-814)	
	d. Non-strategic Parish Housing Requirements (comprising)		248
	<i>i) Non-strategic Parish Housing Requirements (Policy H3 Figures)</i>	310	
	<i>ii) Less permissions granted</i>	(-62)	
e. Windfall		720	
Total supply for the full Plan period (1 April 2021 to 31 March 2039) (=a+b+c+d+e)			10,901

Q.69 Will there be a five-year supply of deliverable housing sites on adoption of the Plan?

1.74 The council consider that there will be a demonstrable 5-year housing land supply (5YHLS) upon the adoption of the plan, which is anticipated to be 2025 i.e. the monitoring year 1st April 2025/31st March 2026. The council's 5YHLS will be 5.04 years which is set out in full detail in the requested Five Year Housing Land Supply Paper (PS/CD08).

1.75 The updated position including the confirmed completions figure for the year 2023/24, updated permissions and site information are shown in the Five Year Housing Land Supply Paper (PS/CD08).

Q.70 Would at least 10% of the housing requirement be accommodated on sites no larger than **one hectare to be consistent with NPPF 69?**

1.76 Yes, the 10% minimum requirement can be met. The Housing Supply Background Paper (BP07) set out that 1,035 dwellings would need to come forward on sites no larger than one hectare. Table 15 of BP07 has been

¹⁴ Does not include planning permissions on small sites (1-4 dwellings) permitted after 1st April 2024 as these are included in the windfall allowance.

updated (below) to reflect the latest position and shows how this figure has been met. It is also expected that Neighbourhood Plans are likely to deliver further sites no larger than 1ha through Parish Housing Allocations.

Supply from sites no larger than one hectare	No. Dwellings
Completions 1st April 2021 - 31st March 2024	228
Planning permissions as of 1 April 2024	418
Sites allocated in Site Allocations DPD and made Neighbourhood Plans	104
Windfall	648
Total from sites of 1ha or less	1398
Total requirement	10350
Percentage of dwellings on sites of 1ha or less	14%

Updated Table 15

Policy H2. Strategic Location/ Allocation 2021 – 2039

We have specific questions on certain site allocations on a site by site basis in Matter 6.

Q.71 Were the proposed strategic housing locations/allocations selected on the basis of an understanding of what land is suitable, available and achievable for housing in the plan area using an appropriate and proportionate methodology, and are there clear reasons why other land which has not been allocated has been discounted?

1.77 Yes, turning first to the sites being selected on the basis of an understanding of what land is suitable, available and achievable in the plan area using an appropriate methodology. This is set out in the council's Housing and Economic Land Availability Assessment (HELAA, April 2021, H09). The HELAA includes a specific methodology document, and the various appendices listed via the link set out how the full range of sites encompassed by the HELAA have been considered. The process is predicated on the consideration as to whether land is suitable, available and achievable as required by the NPPF (para 68).

1.78 Further to the HELAA, the Housing Distribution Background Paper (July 2024, BP05) explains the process by which land has been allocated or discounted. In essence, this was largely an iterative process and evolved through testing of different options as part of the SA process and through responding to comments submitted via the Issues and Options and Regulation 18 consultations. The Regulation 19 version of the SA (SD03.01) involves a comprehensive appraisal of allocation options.

1.79 Ultimately, with the housing supply being largely predicated on sites carried forward from the adopted Local Plan and extant supply, coupled with the identification of strategic locations (with the site allocations in such instances to

be progressed via the Neighbourhood Planning process), this leaves very few new sites to be allocated in the new Local Plan, and these are focused on Chichester and the East-West corridor. Therefore, the consideration of site options has focused on the few sites which fit with this strategic approach and the housing supply context.

Q.72 Is the MM to paragraph 5.6 necessary for soundness?

1.80 Yes, modification CM160 is required to ensure a consistent approach for strategic parish locations and non-strategic parish locations.

Policy H3 Non-Strategic Parish Housing Requirements 2021 – 2039

Q.73 What is the justification for the parish housing requirements set out in Policy H3?

1.81 The Housing Distribution Background Paper (BP05) summarises the evidence and process that has resulted in the parish housing requirement figures in Policy H3. Paras 3.6 – 3.11 of the BP sets out the evidence that has informed the housing requirements, including the settlement hierarchy (see also Settlement Hierarchy Update Background Paper (May 2024, BP11), the Housing and Economic Land Availability Assessment (HELAA, April 2021, H09), Sustainability Appraisal at each stage and technical evidence. The BP also summarises the consultation stages and how the distribution was amended at each stage. As set out in the response to Q71, the process for determining the parish housing requirements have been an iterative process which has evolved through the testing of different options as part of the SA process, and in particular the comprehensive appraisal of parish options through the Regulation 19 version of the SA (SD03.01).

Q.74 Is the statement in the last paragraph of the policy concerning what the Council would do in the event of demonstrable progress not being made in providing for the minimum housing numbers effective?

1.82 Yes, if draft neighbourhood plans making provision for at least the minimum housing numbers for the relevant area have not made demonstrable progress, the council will allocate sites within a development plan document in order to meet the requirements of the Local Plan (as set out at the end of Policies H2 and H3). This is the same process in place with the previously adopted local plan and is in accordance with the Local Development Scheme 2024 – 2027 (revised July 2024, PS/CD03a).

Q.75 What account was made of designated landscapes in determining the parish housing requirements?

1.83 The plan area falls outside the South Downs National Park, with the southern plan area comprising land to the south of the SDNP and the northeast plan area comprising land to the north of the SDNP. The Chichester Harbour

National Landscape (AONB) is a key constraint in the southern plan area. The SA at Regulation 19 (SD03.01) paras 5.2.40 – 5.2.45 summarises the landscape constraints as part of the consideration of the strategic factors influencing the broad distribution of development. Appendix V of the SA considers the parishes in the southern and northern plan area in detail in order to conclude on the parish/ settlement scenarios to be taken forward into the reasonable growth scenarios. This section also provides an overview of the parishes in the southern plan area, including Boxgrove, Westbourne and North Mundham, which highlights any constraints and either concludes that the parish number is appropriate or that there are different scenarios. The section on the northeast plan area considered the different growth scenarios and clearly considered the proximity to the SDNP, particularly for Wisborough Green. The chosen scenarios included consideration of the SA findings, combined with evidence from the Landscape Capacity Study (March 2019, CC01).

- 1.84 The SA appraisal of the Plan (Part 2) section 9.12 also assesses the Plan against landscape objectives and concludes that there are, overall neutral effects predicted in relation to landscape objectives.

Policy H4 Affordable Housing

Q.76 Are the affordable housing percentages in Policy H4 part 1 justified?

- 1.85 Yes, the justification is set out in the extensive viability appraisal process, which was undertaken by specialist consultants Dixon Searle. The key discussion of this issue is set out in the Stage 2 Viability Assessment report (January 2023, IN02.02) and then also revisited in the subsequent technical note (January 2023, IN02.01). These highlight the challenges faced in order to ensure that development in the plan area is viable in light of the considerable costs placed on development due to the significant constraints pertaining to the plan area. As the report sets out, the policy area where this issue becomes pivotal is affordable housing provision, as this has the biggest impact on development costs.
- 1.86 The viability consultants tested a range of affordable housing percentages, from 20% provision up to 40%. Their testing process also reflected the differing viability factors between the northern and southern parts of the plan area, and between green and brownfield sites. They also needed to build in sufficient resilience so that development viability can respond to differing economic and market conditions which will inevitably be encountered over the plan period.
- 1.87 The council has sought to take a positive approach to the provision of affordable housing, however, owing to the challenging viability position within most of the plan area, achieving the higher end of the range tested is not achievable, with the exception of the northern plan area. Therefore, the percentages set out in part 1 of Policy H4 are considered to be justified and

reflect the most positive approach available to the council when considering the constraints faced.

Q.77 Are the suggested MMs necessary for soundness?

1.88 Both of the changes in CM163 and CM164 are considered necessary for soundness in order to ensure that the policy is unambiguous as required by paragraph 16 (d) in the NPPF.

Policy H5 Housing Mix

Q.78 Policy wording appears to be set out in footnote 34. Is that effective?

1.89 Footnotes are used in some Local Plans, and therefore, in principle, their use is considered to be effective, as otherwise those plans would not have been found sound. However, if the Inspectors have concerns in this regard, then the council would have no objection to redrafting the policy in order to bring the footnote into the main body of the policy.

Policy H6 Custom and/or Self Build Homes

Q.79 Are the 200 unit threshold and the % of market units requirements justified?

1.90 The 200 unit threshold has been used throughout the Plan, as at this size the site is considered to be of a strategic scale and so is suitable/able to deliver the full range of policy requirements. Viability testing of sites (Viability Assessment, January 2023, IN02.02) has incorporated this approach. The council would be happy to consider alternative approaches to the 200 unit threshold should this be considered necessary for soundness.

1.91 In terms of the level of the percentage requirement itself, the principle of such an approach has been utilised in numerous Local Plans. In the submission Local Plan the council proposed a requirement of 2%, which was reflective of need position as it was then understood. However, further analysis of the issue by expert consultants Icenl as set out in the Custom and Self Build Note (March 2024, H13) recommended that the council increase that percentage figure in light of the need analysis they conducted. Consequently, the council has proposed increasing this from 2% to 5%. This would bring the policy in line with what appears to be a fairly standard percentage requirement for addressing this sort of need, for example, the following 5 Local Plans have a 5% requirement: Ashford¹⁵, Mid Devon¹⁶, South Gloucestershire¹⁷, Torbay¹⁸ and Wellingborough¹⁹.

¹⁵ Ashford Local Plan (Policy HOU6) [adopted-ashford-local-plan-2030.pdf](#)

¹⁶ Mid Devon Local Plan Review 2013 – 2033 (Policy S3) [Mid Devon Local Plan Review 2013-2033](#)

¹⁷ South Gloucestershire Policies, Sites and Places Plan (2017) (Policy PSP42) [Policies, sites and places plan November 2017 \(southglos.gov.uk\)](#)

¹⁸ Torbay Local Plan 2012 – 2030 (Policy H3) [2012to2030torbaylocalplanweb18may16.pdf](#)

¹⁹ Wellingborough Local Plan (Policy H5) [The Plan for the Borough of Wellingborough - Adopted - Keystone \(objective.co.uk\)](#)

1.92 In terms of the viability implications of this change, the Stage 2 Viability Assessment considered the viability implications of self/custom build units and set out that:

“From DSP’s experience of this type of development, we consider the provision of plots (serviced and ready for development) for self or custom-build has the potential to be sufficiently profitable so as not to provide a significant drag on the viability of a scheme in general. Broadly, we would expect this activity to be at least neutral in viability terms, with the exact outcomes dependent on site-specific details, as with other aspects of the development process.”

1.93 Therefore, it is considered that the proposed amendment to the percentage requirement will be viable.

Q.80 Should the definition of self-build plots be set out in the Plan for effectiveness?

1.94 The definition of self-build plots is set out in the glossary, but the council are happy to consider alternative ways of integrating this into the plan should that be considered necessary for soundness.

Q.81 Are the suggested MMs necessary for soundness?

1.95 Yes, as has been set out above, it is considered that the proposed amendment CM165 is necessary in order to ensure that the plan is positively prepared in terms of meeting needs.

Policy H7 Rural and First Homes Exception Sites

Q.82 What is the justification for the site limit of 30 dwellings in Policy H7 part 2?

1.96 The threshold of 30 dwellings was drafted to be in line with the average number of dwellings built within the limit of 1 hectare for previous entry level exception sites. Planning practice guidance has been updated to first homes and no longer includes a size limit, however should be proportionate in size to the settlement. Modification references CM168 and CM171 of the Councils suggested modifications schedule (SD10.01) reflect the councils’ updated position following the change. If the modification is made then the site limit will no longer apply.

Q.83 Are the suggested MMs necessary for soundness?

1.97 Yes. Modifications CM166, CM167, CM169 and CM171 are considered necessary for soundness in order to ensure that the application of the policy is clear, as per paragraph 16 (d) in the NPPF.

1.98 Modification CM168 is necessary for soundness because it reflects an update to Planning Practice Guidance.

1.99 Modification CM170 is necessary for soundness as it is a factual update to remove reference to an SPD that the Council are no longer producing.

Policy H8 Specialist accommodation for older people and those with specialised needs

Q.84 What is the justification for the 200 unit threshold in Policy H8 and would it be effective?

1.100 The 200 unit threshold has been used throughout the Plan, as at this size the site is considered to be of a strategic scale and so is suitable/able to deliver the full range of policy requirements. Viability testing of sites has incorporated this approach. The policy sets out that the type and amount of accommodation required will be dependent on the size and location of the site, to support delivery of suitable accommodation types in the development location. The council would be happy to consider alternative approaches to the 200 unit threshold should this be considered necessary for soundness.

Q.85 Would the Policy/Plan be effective in addressing the housing needs of different groups given that no indication is given of assessed need?

1.101 The policy as drafted provides a flexible policy framework, which responds to the relevant evidence and national policy, in order to allow for specialist housing to be delivered. The council is proposing provision of accommodation for older people as part of the proposed site allocations in order to increase the certainty of delivery of older persons housing. The Housing and Economic Development Needs Assessment (H06), sets out the needs of different groups as summarised in Q63 above.

Q.86 Policy wording appears to be set out in footnote 37. Is that effective?

1.102 Footnotes are used in some Local Plans, and therefore, in principle, their use is considered to be effective, as otherwise those plans would not have been found sound. However, if the Inspectors have concerns in this regard, then the council would have no objection to redrafting the policy in order to bring the footnote into the main body of the policy.

Q.87 Are the suggested MMs necessary for soundness?

1.103 The modification CM174 is considered necessary for soundness in order to ensure that the application of the policy is clear, as per paragraph 16 (d) in the NPPF.

1.104 Modifications CM172 and CM173 are minor modifications to better reflect the aim of the policy.

Policy H9 Accommodation for Agricultural, Horticultural and other Rural Workers

Q.88 Policy H9 refers to 'supporting information as set out in Appendix C'. As a consequence, is Policy H9 effective and clearly written and unambiguous, so it is evident how a decision maker should react to development proposals?

1.105 As set out in the Plan (SD01, page 11) the purpose of the Appendices is to provide further background and explain technical terms where these are not explained in the main body of the text or to provide guidance on how some policies should be interpreted (as is now proposed through Modification CAM416 detailed at Q.39). Appendix C: Additional Guidance (pages 279 to 281) provides the guidance on the marketing requirements and evidence that Policy H9 requires to be submitted in support of planning applications. This guidance is contained in similar form within Appendix E of the current Adopted Chichester Local Plan: Key Policies 2014-2029 (CD01, pages 276-278). Sections C10 and C11 of Appendix C (page 281) in the new Plan clearly specify the additional information that may be required in relation to proposals for accommodation for agricultural, horticultural and other rural workers so that the criteria in Policy H9 are met.

Policy H10 Accessible and Adaptable Housing

Q.89 What is the justification for the provision of accessible and or adaptable housing set out in criteria a and b?

1.106 The Housing and Economic Development Needs Assessment (H06) sets out a need to increase the supply of accessible and adaptable dwellings and wheelchair user dwellings. Stating that the council could consider requiring all dwellings to meet the M4(2) standards and around 10% of homes meeting M4(3) – wheelchair user dwellings. Viability testing (Viability Assessment, April 2021, IN03 and January 2023, IN02) found that it was not possible to deliver the 10% of dwellings to M4(3) standard along with other policy requirements and so this was reduced to the level set in Policy H10, in order to still provide wheelchair accessible homes through affordable housing.

Q.90 Are the suggested MMs necessary for soundness?

1.107 Yes. The modification CM174 is considered necessary for soundness in order to ensure that the application of the policy is clear, as per paragraph 16 (d) in the NPPF. The requirement as set out in Building Regulations was only previously referred to in background text.