

# Examination of the Chichester Local Plan 2021-2039

Further Statement in Respect of

## Matter 4C: Housing

Submitted on behalf of:

### Beechcroft Developments Limited

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#### Document Management

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## Matter 4C: Housing

**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:2a-010-20201216)?**

1. Yes.
2. The explanatory text to Policy 4 Housing Provision of the adopted Chichester Local Plan: Key Policies 2011-2029 (Ref CD01) summarises the housing need situation at that time i.e. July 2015. Paragraph 7.3 confirms that the objectively assessed housing need for the district at that time was between 560 and 575 dwellings per year (dpa). Paragraph 7.4 estimated that the need for the part of the district that fell within the South Downs National Park was about 70 dwellings. As a result the objectively assessed need was estimated at 505 dpa.
3. The housing provision set out in Policy 4 is 7,388 over the period 2012-2029. This equated to 435 dpa which represented a shortfall of 70 dpa. Paragraph 7.9 confirms that the Council acknowledged that the plan did not meet the current objectively assessed need for housing (OAN) and that because of this the Council committed itself to review the Local Plan within five years to aim to ensure that OAN was met. This was over nine years ago and the adoption of the Local Plan Review has still to take place.
4. It is evident that Chichester District has not met its OAN for a number of years and this is set to continue with latest draft plan which in its current form only proposes to provide 575 dpa against the current standard method figure of 760 dpa which falls to 638 dpa after allowing 125 dpa to be delivered in the National Park area.
5. The extant Plan and the proposed Local Plan, therefore, fails to meet the housing needs of the district. The main reason cited for the proposed Local Plan not meeting the current housing need is because of highway capacity issues at the A27 Chichester Bypass in the southern part of the district; and the perceived remoteness of and existing water neutrality issues in the northern part of the district.
6. In terms of the Water Neutrality constraint this should ease with the introduction of the Sussex North Offsetting Water Scheme (SNOWS) in Autumn 2024 and increased strategic water storage facilities should be implemented in the later part of the plan period.
7. Whilst it is acknowledged that there are capacity issues at various junctions on the A27 Chichester Bypass the proposed development set out in the emerging Plan will help deliver capacity improvements to the Bognor Regis and Fishbourne roundabout junctions. This,

combined with the more extensive upgrade improvements to the A27 at Chichester being included in National Highways programme of improvements and works to the Strategic Road Network (SRN) Road Investment Strategy 4 (RIS 4) five year plan (2030-2035) will improve highway capacity within the proposed Plan period. Although the funding for this project has yet to be secured and cannot be guaranteed it should not be used to constrain the level of housing proposed in the emerging Plan.

8. The above anticipated infrastructure improvements could take place within the proposed Local Plan time period 2021-2039 which in themselves, and when combined with the historic under delivery of housing need in the District, justify a higher housing need figure than the standard method indicates.

## 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?**

9. Paragraph 6.57/Table 6.16 of the Housing and Economic Development Needs Assessment (HEDNA) of April 2022 (Ref H06) confirms that there is a need for 208 social/affordable rented homes per annum in the plan area. Table 6.23 refers to an additional need for 225 affordable home ownership homes per annum. This therefore results in a need for 433 affordable homes per annum.
10. Policy H4 Affordable Housing of the submitted Plan proposes that 40% of homes will be provided as affordable housing on greenfield sites of 10 or more homes in the north of the plan area, and 30% in the south. Assuming that all homes are delivered on greenfield sites of 10 or more homes in the north of the plan area, it would be necessary to deliver 1,083 homes to meet affordable housing needs in full. In such circumstances national policy and guidance require the consideration of the provision of greater levels of homes to meet the affordable need.
11. Based on the above it is clear that to have any realistic chance of meeting the very high affordable housing need in the district the minimum housing requirement needs to be adjusted.

## 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 26?**

12. Paragraph 59 of the Executive Summary to the HEDNA 2022 (Ref HO6) confirms that the current full-time student numbers will increase from 4,400 in 2020 to around 6,000 by 2025/26. This represents an increase of 1,600 students over this five-year period. Later on the HEDNA (at para 9.34) it refers to the University of Chichester's Project Cornerstone which seeks to increase its current full time student numbers to 7,000 in the longer term.

13. Paragraph 9.35 of the HEDNA refers to an initial 1,100 student growth and that this will be split between the two campuses (the other being in Bognor Regis and Arun District) with 70% going to Chichester (775 students).
14. To meet the demand for student accommodation the University is seeking to deliver 450 bed spaces: of which 250 will be located in Chichester. On this basis there could be a deficit 525 bed spaces. As such, the emerging Local Plan does not reflect the housing needs of students which will exert even more pressure on the market housing stock which in itself justifies a higher housing provision than is currently proposed.
15. This is an important consideration as a lack of sufficient student accommodation will not encourage students to the University which in turn will harm the local economy. The student economy plays an important role in the local economy through expenditure in local shops and hospitality. As set out in Paragraph 9.45 of the HEDNA this is estimated to be around £3,825 per student per annum and the University believes that it will input over £30 million into the local economy if it grows to 7,000 students.

## Policy H1 Meeting Housing Needs

### The Housing Requirement

**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?**

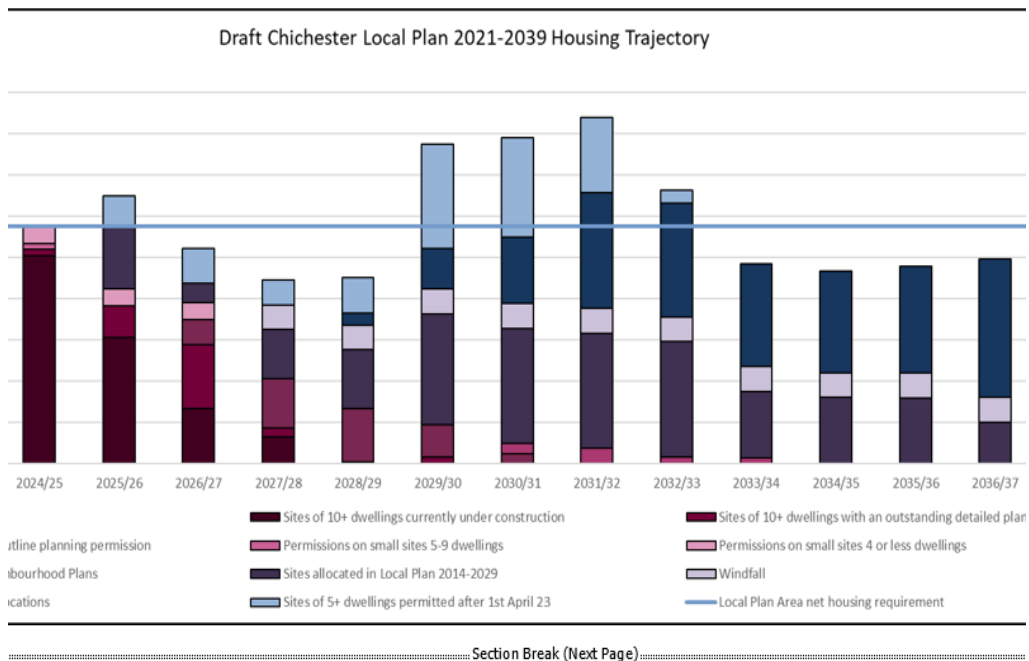
16. The Plan seriously underestimates the potential social and economic impacts of not providing sufficient housing.
17. As set out in paragraphs 2.6 and 2.7 of the HEDNA (Ref HO6) there are serious affordability issues in the District. The median house price in the district is now 14 times median earnings of those working in the district and 12.5 times the median of those living in the district. These figures are significantly higher than the 4.5 times average provided by mortgage lenders which means that without considerable equity there is likely to be significant constraints on people being able to purchase a home.
18. In terms of social impacts, an increase in the dwelling provision would outweigh the harm caused by failing to provide enough homes to meet the housing need. When housing needs are not met the amount of homelessness increases (with increased associated health risks) as does the amount of people living in overcrowded or unsuitable accommodation, or remaining in the parental home for longer, or having their prospects limited by being unable to invest in the housing ladder or finding they have no option but to move away.
19. This in turn has negative effects on the local economy through the loss of construction jobs and associated employment (i.e. cleaners, gardeners and general maintenance) at the operational stage. Less local spending would take place on items for the new homes (such as furniture, carpets and white & brown goods) and the wider local economy. Overall it will result in adverse effects on the local economy.

20. As a result the failure to provide sufficient new homes does not accord with the social and economic objectives of achieving sustainable development which is the main purpose of the planning system as set out in paragraphs 7 to 11 of the NPPF.

**Housing Land Supply**

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

21. An extract from the table headed “Draft Chichester Local Plan 2021-2039 Housing Trajectory set out on page 14 of SD10 02 – Council’s suggested modifications schedule 1 to 7 is reproduced below.



22. Assuming the Local Plan is adopted in 2025/26 (which is optimistic) the housing trajectory shows that the 575 dpa local plan requirement would be exceeded with about 640 dwellings being delivered. Should however the adoption of the Local Plan be delayed until 2026/ 27 the trajectory falls below the 575 dpa requirement and even more so in the years 2027/28 and 2028/29 when delivery is projected to be at around 450 dpa.

23. According to paragraph 5.4 of the Housing Supply Background Paper (July 2024) (Ref BP07) it is estimated that there would be 5.15 year supply of housing land with an anticipated year of adoption of 2024/25. Table 18 refers to a projected five year housing supply of 3,108 dwellings and an adjusted five year housing requirement (+ buffer) of 3,019 dwellings. This results in a small surplus of just 89 dwellings. Should there be issues with delivery of some sites it is likely that there would not be a five year housing supply at the time of the Plan being adopted.

## Policy H2 Strategic Location Allocation 2021-2029

**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?**

24. Beechcroft Developments Limited has concerns about the achievability of the proposed Strategic Allocation **Policy A8 Land East of Chichester** for approximately 680 dwellings, plus a new primary school and new neighbourhood centre.
25. Whilst it is acknowledged that the site is likely to be available for development and is in sustainable location being located to the south of the existing Shopwhyke strategic development location (Policy A7) which is nearing completion, and is located to the north of the railway line/former Bognor Road Fuel Depot site/Springfield Park allocations (which are currently being built out for commercial uses) there is uncertainty as to whether the proposed mixed use on Policy A8 is achievable. This arises from the previous use of the site as a landfill site for domestic waste in the 1980's. Approximately 60% of the site was landfilled with domestic waste and the other parts were a former sand and gravel mineral extraction site. Large parts of the proposed allocation have unknown ground conditions and previous uses may pose a risk to human health. This is referred in paragraph 10.29 of the explanatory text.
26. Paragraph 10.29 also refers to the need that evidence will be required to demonstrate there is no significant risk to human health through site investigations and any required remediation strategy will need to be provided to address any pre-existing land (soil, gas and water) contamination on any existing or adjacent land. Until this evidence has been produced and analysed there is significant doubt as to the overall suitability of this allocation for the intended use. Should the Local Plan be allocating land where there is a potential risk to new residents and school children?
27. At this stage there is also uncertainty as to the type of remediation and mitigation measures and how these may affect the viability of the scheme. Even if there not a need for any mitigation (which is extremely unlikely given the previous uses) the proposed primary school, neighbourhood centre and other economic and social infrastructure; the provision of sustainable travel links, noise mitigation from the A27 and railway line will all affect the viability of the development. When methane gas and other contamination mitigation plus robust ground condition measures are factored in the proposed development may not be financially viable.
28. As a result of the above, more detailed site investigation work and a viability assessment needs to be carried out. Without this it is not clear whether the proposed development is actually achievable and whether the Plan is sound in this regard. If it is not, the Plan will need to allocate additional land (i.e. omission sites) in sustainable locations to make up for a potential shortfall of approximately 680 dwellings across the plan period.
29. Alternatively, the Plan could contain a new policy that allocates reserve housing sites that can be brought forward if there are delivery problems with this particular allocation or any of the other strategic allocations in the Plan.

## 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?**

30. The Background Evidence Documents for the Local Plan and in particular (BP05) Housing Distribution Background Paper (July 2024) explain the background behind how the parish housing requirements set out in Policy H3 were arrived at. These indicate that for some parishes, and in particular Hunston Parish, the housing requirements are constraint led. Little consideration appears have been given to the housing needs of individual settlements and parishes.
31. Paragraph 3.2 of BD05 confirms that in recognition of the transport and environmental constraints (including flood risk) affecting the Manhood Peninsula, the adopted spatial strategy provides for more limited development and where it is provided it is largely focused at Selsey and East Wittering/Bracklesham.
32. The approach to parish housing requirements in the northern part of Manhood Peninsula are inconsistent especially in the context of Hunston Parish and the neighbouring parish of North Mundham.
33. According to draft Policy H3, the parish requirement for Hunston is zero (0) having previously been 200 dwellings at the Preferred Option consultation stage. The requirement for North Mundham Parish is currently 50 dwellings.
34. Both settlements are currently constrained in similar ways i.e. highway capacity issues on the A27 Chichester Bypass (particularly at the Whyke Roundabout); and the alleged limited school capacity at North Mundham Primary School which serves as the main primary school destination for both settlements.
35. Despite being affected by the same constraints which can be overcome by proper planning i.e. carrying out improvements to the road infrastructure including increasing the opportunities to use more sustainable modes of transport (walking, cycling and public transport), and increasing school capacity in the local area, it is not clear why the North Mundham requirement is set at 50 and that for Hunston it is zero. This is made even odder by the recent permissions for three speculative developments totalling 199 homes within North Mundham parish. These are referred to in in the fourth bullet point of paragraph 5.1 of BP05 and include:
  - 39 dwellings at the former Lowlands Nursery (Ref No- 20/011686/FUL)
  - 66 dwellings on land south of Lowlands (Ref No. 20/02989/FUL), and
  - 94 dwellings at Charman's Field (Ref No. 22/02191/OUT)
36. When these developments are implemented they will meet, if not exceed, all of the housing needs of North Mundham parish.
37. The lack of any housing requirement for Hunston Parish means that none of the housing needs of this settlement/parish will be catered for. According to *Table 3 - Summary of Table 3 of 2021 SHELAA of Background Document H12 (Housing Land Supply Review of February 2024 by LSH)* the total identified capacity for Hunston was 483 dwellings. This confirms that there are a range of potential housing sites available at Hunston including the former Hunston Village Dairy site.

38. The approach to setting the parish housing requirements in Policy H3 and especially in the context of Hunston and North Mundham is inconsistent with paragraph 60 of the NPPF which states:

***“To support the Government’s objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is needed, that needs of groups with specific housing requirements are addressed and that land with permission is developed without necessary delay.”***

39. Based on the above there is a strong and clear case for deleting the 50 dwelling requirement for North Mundham in Policy H3 (because of the recent permissions) and transferring this requirement to Hunston instead. Given that at the Preferred Approach stage, Hunston had an identified a need/capacity for up to 200 dwellings there are strong grounds for re-instating a dwelling requirement of 200 dwellings at Hunston.