



Chichester Submission Draft Local Plan 2021 – 2039

Hearing Statement

Matter 4C: Housing

October 2024

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Respondent Reference: 111

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Management | Development | Planning

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1. INTRODUCTION

1.1 This Hearing Statement has been prepared on behalf of Elivia Homes Ltd (Southern Region). Our client has previously made representations on the Chichester Local Plan 2021-2039 'Proposed Submission' (Regulation 19) in March 2023 and 'Preferred Approach' (Regulation 18) Local Plan in February 2019. Our client has land interests at:

- Land at Durban's Road, Wisborough Green
- Cooks Lane, Southbourne
- Penny Lane, Hermitage

1.2 These sites are fully within our client's control and there are no legal issues to constrain these sites coming forward in the next 5 years.

1.3 Notwithstanding our client's land interests this Statement has been prepared in recognition of the prevailing planning policy and guidance, in particular the National Planning Policy Framework, 20th December 2023 and the Planning Practice Guidance (PPG). Consideration is also given to the draft NPPF (July 2024) as this is of particular relevance to the Government's response to the housing crisis and expectation for Local Authorities to *'make every effort to allocate land in line with their housing need as per the standard method'*. This statement provides a response to the points raised under Matter 4C Housing and whether these policies of the Chichester Submission Local Plan are positively prepared, justified, effective and consistent with national policy. Responses have been made to the following policies and associated Inspector's questions:

- **Policy H1 Meeting Housing Needs** (questions 61, 64 and 65)
- **Policy H3 Non-Strategic Parish Housing Requirements 2021 – 2039** (questions 73 and 74)

1.4 This Statement highlights a need for amendments to Policies H1 and H3 to provide for a higher level of housing growth in the District sufficient to meet local housing need (derived

¹ Written Ministerial Statement 30.07.24

from the 'standard method'). I consider that the proposed changes would improve the soundness of the Plan. Paragraph 35 of the NPPF states that, for a Plan to be found 'sound' it must show that it is:

- a) *'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;*
- b) *Justified – an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence;*
- c) *Effective – deliverable over the plan period, and based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground; and*
- d) *Consistent with national policy – enabling the delivery of sustainable development in accordance with the policies in this Framework and other statements of national planning policy, where relevant.'*

2. RESPONSE TO MATTER 4C HOUSING

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

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?

- 2.1 The NPPF is clear on the requirement to effectively address unmet housing need in accordance with the Duty to Co-operate. Paragraph 11 of the NPPF sets out the Presumption in favour of sustainable development. For plan making this means that:
- a) *‘all plans should promote a sustainable pattern of development that seeks to: meet the development needs of their area; align growth and infrastructure; improve the environment; mitigate climate change (including by making effective use of land in urban areas) and adapt to its effects;*
 - b) *strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas, unless:*
 - 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 area⁷; 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 The Government’s proposed changes to the NPPF place a greater emphasis on the Duty to Co-operate and effective strategic planning across local authority boundaries in providing for housing needs. Paragraph 27 of the draft NPPF emphasises that in preparation of Local Plans it should be ensured that unmet development needs from neighbouring areas are accommodated for in accordance with paragraph 11b.
- 2.3 It is considered that there is substantive evidence of definitive unmet housing need in the area with no clear strategy for how this will be addressed. The Council’s own evidence base

and SA demonstrates that there is potential to provide slightly over LHN contributing to unmet housing need of neighbouring authorities as part of a sound approach. Our response to this question firstly deals with the current situation regarding unmet housing need and then deals with potential capacity to contribute towards this need.

Neighbouring Authorities and Unmet Housing Need

- 2.4 There is definitive unmet housing need from neighbouring authorities, including Havant and Horsham, which has been evidenced through the Council's Duty to Co-operate Statement² and Statements of Common Ground (SOCGs). There is also anticipated unmet need from the South Downs National Park Authority and Arun District Council. The current Government consultation on the draft NPPF also includes proposed changes to the standard method which is likely to significantly increase unmet housing need in the area and may also significantly affect East Hants and Waverley Councils. The position of these authorities in relation to local plan preparation and unmet housing need is discussed in turn below:

Arun District Council

- 2.5 Arun District Council consulted on a Regulation 18 Issues and Options Local Plan in March 2024, which scoped the issues / challenges facing the area and possible options to address them but did not identify detailed policies and site allocations. The emerging Local Plan is testing a figure of 1,400 dpa which equates to a net requirement for 11,250 homes over their plan period 2022 – 2041. If the proposed revised standard method is applied Arun would be required to provide for 1,409 dpa.
- 2.6 The latest OAN figure for Arun is a significant uplift from the current local plan housing requirement of 1,000 dpa over the current plan period 2011 – 2031. The Council's monitoring has demonstrated that completions are significantly underperforming compared to required delivery rates. Over the period since 2013 net housing delivery has averaged 621 dwellings per annum.³
- 2.7 Based on the significant uplift in OAN and significant under delivery of housing against their requirement over the last 10 years, it is reasonable to conclude that Arun District is likely to have unmet housing need.

² SD06 Duty to Co-operate Statement of Compliance, April 2024

³ Direction of Travel Document Consultation Arun Local Plan 2023 – 2041 (March 2024)

East Hampshire District Council

- 2.8 East Hampshire District Council consulted on a draft Local Plan (Regulation 18) in March 2024. The Local Plan identifies a housing requirement of 478dpa and 9,082 dwellings over the plan period (2021 – 2040). This takes a disaggregated approach to calculate OAN by excluding the part of the district within the National Park while also accommodating some unmet need from the National Park.
- 2.9 The Council currently plans to deliver LHN (standard method) based on a disaggregated approach. However, the Government’s proposed revised standard method would raise OAN to 1,074 dpa in the district and it is currently uncertain how this would be provided for. Therefore, there is a significant prospect that East Hampshire will have unmet housing need in relation to the revised standard method.

Havant Borough Council

- 2.10 The Council consulted on a Regulation 18 Local Plan and Call for Sites in 2022 ‘Building a Better Future (2025 – 40). At this stage LHN was identified at 516 dpa with an unmet housing need figure of 4,309 dwellings. The Chichester and Havant Statement of Common Ground⁴ identifies that it will be difficult for Havant to deliver LHN derived from the Standard Method due to environmental constraints.
- 2.11 The Government’s proposed changes to the Standard Method would increase LHN from the current 508 dpa to 874 dpa which is anticipated would significantly increase unmet housing need in the Borough.

Horsham District Council

- 2.12 Horsham District Council submitted their Local Plan 2023 – 2040 in July 2024 following consultation in the Regulation 19 Plan in March 2024. The Submission Local Plan identifies a housing target of 777 dpa which equates to 13,212 dwellings over the plan period 2023 – 2040. The proposed housing requirement is below LHN derived from the standard method (917dpa) and significantly below the proposed revised standard method (1,294 dpa).

⁴ Statement of Common Ground between Chichester District Council and Havant Borough Council (May 2024)

- 2.13 Horsham District Council wrote to Chichester District Council in November 2023 requesting the council to assist in meeting their unmet housing need. The HDC Local Plan is currently at Examination, and it is uncertain if the Plan will be found sound in relation to housing supply below LHN. In response to this request, Chichester District stated that it was unable to accommodate any unmet need in relation to capacity of the A27.

South Downs National Park Authority

- 2.14 The South Downs National Park are currently at the early stage of preparing their Local Plan with a Regulation 18 consultation scheduled for Q4 2024. The Council has published a Housing and Economic Development Needs Assessment (September 2023) which identifies a need for 350 homes a year across the National Park which equates to 6,300 homes over their plan period 2024 - 2042. The SNDP identifies an annual requirement of 198 dpa for the area of Chichester falling within the National Park. The Chichester HEDNA (2022) has assessed a housing need figure of 125 dpa for the part of the National Park within Chichester District. The National Park have yet to confirm how much of this need or their wider housing need which can be accommodated in the National Park.
- 2.15 The National Park has previously sought for Chichester to accommodate a proportion of their unmet need which was considered at the Regulation 18 (Preferred Approach Stage). The Council now states that due to constraints and primarily A27 capacity they are unable to accommodate unmet need from the National Park.
- 2.16 Based on previous requests from the National Park to accommodate unmet need and the landscape sensitivity of the National Park, it is considered that a requirement is likely to remain. It is unclear from the Council's Duty to Co-operate Statement and Statement of Common Ground with the National Park how this unmet need will be addressed.

Waverley Borough Council

- 2.17 Waverley Borough Council are at an early stage in the review of their Local Plan and in accordance with their Local Development Scheme will consult on a Regulation 18 Local Plan in May 2025. The Council are currently at evidence gathering stage and considering spatial options.
- 2.18 The current LHN for Waverley as derived from the Standard Method is 710dpa which may increase to 1,374 dpa in relation to the Government's proposed changes to the Standard

Method. It is currently uncertain whether Waverley will be in a position to provide for LHN derived from the Standard Method.

Conclusions

- 2.19 There is evidence of definitive unmet housing need from neighbouring authorities including Havant and Horsham and it is unclear how this will be provided for. The South Downs National Park is at an early stage of plan preparation but is unlikely to provide for LHN based on landscape sensitivity and previous requests to Chichester to accommodate unmet need. Furthermore, the current NPPF consultation and proposed changes to the Standard Method are likely to significantly increase unmet housing need in the area.
- 2.20 Arun District Council is at an early stage of their local plan review but based on their high LHN figure and past housing delivery it is significantly uncertain if the Council can provide for LHN. In relation to East Hants and Waverley Councils their ability to provide for LHN is uncertain and particularly in relation to the Government's proposed changes to the Standard Method.
- 2.21 The Local Plan and SA places emphasis on the forthcoming Local Strategy Statement (LSS) prepared by the Coastal West Sussex and Greater Brighton Planning Board to address unmet housing needs in the sub-region. The Council state that Version 3 of the LSS will explore options for meeting unmet housing needs across the area and will develop a long-term strategy for the period 2030 – 2050. The LSS has no statutory plan status and prior to publication of version 3 it is uncertain what the strategy will be to provide for unmet housing need in the area. Furthermore, it will be for current and emerging local plans to provide for unmet housing need and this respect there is definitive unmet need which has not been provided for.
- 2.22 The Council's primary reason for not accommodating unmet housing need is in relation to A27 constraints and the mitigation package that can currently be funded and delivered during the plan period. Based on the Council's transport evidence and sensitivity testing (as set out in the transport background paper),⁵ approximately 700 dpa could be accommodated in the south of the plan area with planned improvements to the A27 and without a severe impact on the SRN.

⁵ Chichester Local Plan 2021 – 2039 Transport Background Paper (July 2024).

- 2.23 Furthermore, it is considered that the Council has not presented robust evidence to demonstrate why there is a limit on growth of 40dpa in the north of the plan area. A detailed response is set out on this matter in relation to Q64 in this statement.
- 2.24 It is considered that in the north of the plan area a higher level of growth is achievable in the most sustainable settlements including Wisborough Green and Loxwood. These settlements are appropriate to accommodate a higher level of growth in relation to settlement hierarchy, accessibility to a range of local facilities and services, local constraints and site options. In relation to constraints a higher level of growth is achievable with regard to impact on landscape, historic environment, biodiversity and water neutrality.
- 2.25 Water neutrality is a significant issue for the north of the plan area but there is a Joint Mitigation Strategy in place which can support growth of 1,800 dwellings (100 dpa) in the north of the plan area over the plan period to 2039. Therefore, in relation to water neutrality growth should not be restricted to 40dpa in the north of the plan area.
- 2.26 In the north of the plan area there are further suitable, available and achievable site options not currently considered in the Plan which are suitable, available and achievable. This includes Land at Durban Road, Wisborough Green which is capable of providing for a further 50 dwellings.
- 2.27 There is definitive unmet housing need from neighbouring authorities with no effective strategy in place to provide for this need. There is potential for the Chichester to provide over and above LHN for the plan area of 638 dpa (excluding the part of the district within the South Downs National Park). This is based on reasonable alternative and deliverable growth options in the north and south of the plan area.

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?

- 2.28 It is considered that the Council has not presented robust evidence to justify delivery of only 40dpa and 679 dwellings overall in the north of the plan area over the Plan period to 2039. The Council has ruled out higher growth scenarios in the north of the plan area contrary to its own evidence and SA.
- 2.29 The standard method derived LHN for the plan area is currently 760 dpa (638 dpa for the area of the district outside the SDNP) which rises to 1,206 dpa in relation to the Government's proposed changes to the NPPF and standard method. The Council's proposed housing requirement is significantly below LHN derived from the current and proposed revised standard method. In accordance with the NPPF, the Council should leave no stone left unturned in the consideration of reasonable alternative growth options to accommodate LHN in the plan area including within the north of the district.
- 2.30 The Local Plan and SA set out the rationale for lower growth in the north-east of the plan area based on rurality, transport and accessibility, landscape and historic environment impact and the area falling within a constrained water resource area. Higher levels of growth were ruled out in Wisborough Green, Plaistow and Ifold and Kirdford due to impact on rural character, landscape and historic environment in particular. In the north of the plan area the Local Plan proposes that growth comes forward in service villages in the north of the plan areas as follows:
- Loxwood – 220 dwellings
 - Kirdford – 50 dwellings
 - Wisborough Green – 75 dwellings
 - Plaistow and Ifold – 25 dwellings

- 2.31 The following section of this statement assesses the relevant strategic factors (settlement hierarchy and broad distribution factors – areas more suited to growth) and bottom-up factors (merits of the sites) that have informed the growth strategy for the north.

Settlement Hierarchy

- 2.32 The north of the plan area comprises service villages which include settlements that provide a reasonable range of facilities and services to meet every day needs of residents including i.e. primary school, convenience store and post office or have reasonable access to them in nearby settlements. The Local Plan settlement hierarchy identifies the service villages of Kirdford, Loxwood, Plaistow/Ifold and Wisborough Green as a focus for growth outside of Chichester City Centre and the Settlement Hubs.
- 2.33 Wisborough Green and Loxwood have a good range of facilities / services and are connected to higher order settlements of Billingshurst and Horsham and are capable of sustainably accommodating a higher level of growth.

Transport and Accessibility

- 2.34 The service villages of Loxwood and Wisborough Green are connected by regular bus services to higher order settlements and associated services and facilities including Billingshurst and Horsham which makes them sustainable locations to accommodate growth. In relation to transport and accessibility a higher level of growth can be supported in these settlements than currently identified in the Plan.

Landscape

- 2.35 Landscape impact is a key consideration in relation to growth scenarios in the north of the plan area. However, the SA does not identify significant landscape constraints to the delivery of higher growth scenarios in Wisborough Green and Loxwood. The SA (paragraph 5.2.43) demonstrates that a higher growth scenario in Wisborough Green can be accommodated in landscape terms. The SA concludes that while the village is in close proximity to the SDNP visual and footpath / bridleway links to the SDNP are limited. The Landscape Capacity Assessment⁶ concludes that there is capacity for further development to come forward on the settlement edge provided it is informed by further landscape and visual impact

⁶ Chichester Local Plan Review Landscape Capacity Assessment, Terra Firma Consultancy Ltd, March 2019.

assessment and sensitively integrated into the landscape. Therefore, in the context of a higher growth scenario impacts on the landscape can be minimised with appropriate site selection and mitigation.

Historic Environment

- 2.36 In relation to the historic environment, Kirdford, Plaistow and Wisborough Green all have designated conservation areas, and Loxwood has a notable historic core, whilst Ifold has limited historic character.
- 2.37 The SA identifies that in Kirdford, Plaistow and Wisborough Green there is good potential to deliver proportionate growth where adverse impacts on conservation areas and listed buildings can be avoided or suitably mitigated.
- 2.38 In Wisborough Green the SA identifies an historic environment constraint in relation to impact on heritage assets including the conservation area and listed buildings including the Grade I listed church. However, the SA identifies that there is potential to deliver a higher growth scenario in relation to appropriate site selection and mitigation including appropriate buffers to heritage assets.

Biodiversity

- 2.39 Overall, biodiversity is not a significant constraint to the delivery of a higher growth scenario in the north of the plan area. The SA does not identify any significant risks to nationally designated SSSI or locally designated SNCIs.
- 2.40 Of the northern service villages Kirdford is constrained under a higher growth scenario in relation to a dense network of ancient woodlands.
- 2.41 The SA identifies proximity of Wisborough Green to the Mens SAC as a potential constraint to growth. However, the SA concludes that it is not possible to determine that lower growth is preferable to higher growth. The Habitats Regulations Assessment⁷ also identifies that all Neighbourhood Plans will be subject to their own HRA which will ensure that impacts on functionally linked bat habitat are minimised, and that site allocation policies are drafted to ensure preservation of functionally linked habitats. In relation to atmospheric pollution, the

⁷ Chichester Local Plan Habitats Regulations Assessment, Aecom (January 2023)

HRA concludes that there will be no adverse effect on the integrity of Mens SAC either alone, or in combination with other plans or projects. Therefore, there is potential for higher growth scenarios to be considered in Wisborough Green subject to site appropriate selection and mitigation measures.

- 2.42 In relation to Loxwood the SA does not identify any overriding constraints that would prevent the delivery of a higher growth scenario.

Water Neutrality / Water Quality

- 2.43 Groundwater abstraction from Pulborough (in Horsham District) is impacting on designated wetland and riverine habitats along the Arun Valley. This is a primary source of water within the Sussex North Water Resource Zone (WRZ), which covers the northeast plan area as well as a wider area.

- 2.44 Natural England issued a Position Statement in September 2021, advising that all new developments within the WRZ must demonstrate water neutrality via a combination of water efficiency and offsetting, and that this advice is likely to stand until a strategic solution is found, which may not be before 2030.

- 2.45 A joint Mitigation Strategy was agreed in December 2022 which assumes 20,000 homes across the WRZ over the period 2021 – 2039 and assumes that all development will achieve the highest standards of water efficiency. It also assumes that the water company (Southern Water) will undertake prescribed steps to reduce the need for abstraction.

- 2.46 Of the 20,000 homes across the WRZ the mitigation strategy enables the delivery of approximately 1,800 dwellings in the north-east of the Chichester Plan area. This equates to approximately 100 dpa in the north of the plan area over the plan period.

- 2.47 On the basis of these assumptions, Natural England agrees that offsetting schemes – once secured – should be sufficient to ensure that growth across the WRZ will not increase water demand for water (as measured against baseline demand as set out in Southern Water’s 2019 Water Resource Management Plan).

- 2.48 In relation to water quality, the SA identifies the need for sufficient wastewater treatment works (WWTW) capacity in the Plaistow / Ifold and Loxwood area. The SA concludes that there

is potential to deliver capacity upgrades to WWTWs during the plan period to support growth.

- 2.49 In relation to water neutrality and the mitigation strategy there is ability to provide for 100 dwellings per annum in the north of the plan area which is significantly above the 40dpa currently identified in the Local Plan. Therefore, it is considered unreasonable that a higher growth option has been ruled out in the north of the plan area on the basis of a constrained water supply.

Growth Scenarios and Site Selection

- 2.50 The SA has considered 5 growth scenarios for the northeast of the plan area. The higher growth scenario for the north-east has been discounted mainly due to the impact of a 1,050-dwelling extension to Loxwood. The SA identifies a preferred growth scenario which includes a blend of scenarios 1 and 2 (including significant growth in Loxwood) but fails to justify why a higher growth scenario cannot be supported which could include a revised growth scenario for Loxwood (i.e. above 220 dwellings) and higher growth in Wisborough Green (i.e. above 75 dwellings).
- 2.51 The SA and site selection process has informed the growth strategy for the north in relation to sites that have been assessed through the HELAA and or considered through the preparation of Neighbourhood Plans. This process has not considered all suitable, available and achievable site options in the most sustainable settlements which could facilitate a higher level of growth. In particular, Land at Durban's Road, Wisborough Green provides the ability to deliver a further 50 homes (above the 75 identified in the Plan) in a sustainable location in the village without significant adverse impacts on rural character, landscape, heritage and ecology.

Conclusions

- 2.52 The Council has failed to provide robust evidence to justify why the north-east of the plan area cannot accommodate a higher level of growth than 40dpa. The Local Plan proposes a housing requirement significantly below LHN derived from the standard method. Higher growth scenarios in the north-east of the plan area have been discounted without sufficient justification and contrary to the Council's own evidence and SA / HRA.

- 2.53 In terms of settlement hierarchy, the service villages of Wisborough Green and Loxwood can accommodate a higher level of growth than identified in the Local Plan commensurate with their role, status, function and sustainability and local constraints.
- 2.54 In relation to transport and accessibility there is scope to accommodate a higher level of growth in the most sustainable northern settlements including Wisborough Green and Loxwood which are well connected to higher order settlements.
- 2.55 The Local Plan SA concludes that in relation to landscape, historic environment and biodiversity there is not an overriding constraint to achieving a higher level of growth as tested through the SA.
- 2.56 In terms of water neutrality, the Joint Mitigation Strategy enables the delivery of approximately 1, 800 homes in the north-east of the district over the plan period to 2039 which would enable growth of 100 dpa, significantly above the 40 dwellings currently identified in the Submission Local Plan. In terms of water neutrality, the Local Plan would have been able to accommodate the higher growth scenario of 1,650 dwellings in the north including 125 dwellings at Wisborough Green.
- 2.57 In terms of site selection, the SA has considered sites which have been assessed through the HELAA and those considered through the preparation of Neighbourhood Plans. This has not considered all suitable, available and achievable site options which could sustainably support a higher level of growth. In particular, the Plan does not identify land at Durbans Road, Wisborough Green which is capable of sustainably providing for an additional 50 dwellings which was submitted for consideration in response to the Regulation 19 consultation.
- 2.58 Overall, there is scope to accommodate a higher level of growth in the north of the plan area in relation to settlement hierarchy, transport and accessibility, local constraints and site options. There is a need for the Council to reconsider growth options for the north of the plan area, particularly in relation to the shortfall against LHN.

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?

2.59 It is considered that the overall proposed Local Plan housing requirement is not justified, and the Plan is able to provide for LHN (derived from the standard method) in full without significant adverse impacts when assessed against the policies of the NPPF taken as a whole.

2.60 Paragraph 11 of the NPPF sets out the Presumption in favour of sustainable development. The NPPF places emphasis on meeting as a minimum the objectively assessed housing needs for the area as well as any needs which cannot be met in neighbouring areas. For plan making this means that:

- a) *'all plans should promote a sustainable pattern of development that seeks to: meet the development needs of their area; align growth and infrastructure; improve the environment; mitigate climate change (including by making effective use of land in urban areas) and adapt to its effects;*
- b) *strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas⁶, unless:*
 - 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 area⁷; 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.'*

2.61 Paragraph 60 of the NPPF states that the overall aim should be to meet as much of an area's identified housing need as possible, including with an appropriate mix of housing types for the local community.

2.62 The Local Housing Need (LHN) (derived from the Standard Method) for Chichester District is 760 dpa and the Council have calculated the standard method figure for the plan area (excluding the area within the National Park) to be 638dpa. The draft NPPF includes changes to the standard method housing figure for Chichester which rises to 1,206 dpa.

- 2.63 Policy H1 of the Submission Local Plan proposes a housing requirement of 10,350 dwellings over the plan period 2021 – 2039 which comprises 535 dpa in the south of the plan area and 40 dpa in the north of the plan area. The proposed overall housing requirement for the Chichester plan area is significantly below LHN (standard method).
- 2.64 The Council has received advice from the Planning Inspectorate and the Planning Advisory Service stating that evidencing and justifying setting the housing requirement below LHN necessitates reaching a ‘high bar’ and that no stone should be left unturned in identifying capacity to deliver homes locally.

LHN and South of the Plan Area

- 2.65 In the south of the plan area (comprising the east west corridor and the Manhood Peninsula) the Submission Local Plan identifies a housing requirement of 535 dpa which is significantly below LHN. The draft Plan states that the 535 dpa cap is based on the capacity of the A27 and in relation to highways junction improvements that can currently be funded over the plan period.
- 2.66 It should be noted that the A27 Chichester By-Pass major improvement scheme is included in the National Highways Road Investment Strategy Pipeline for the period 2025 – 2030 (RIS3). At this stage funding is not guaranteed and the potential inclusion if the scheme in the final RIS3 programme will be confirmed at a later date. Following a Ministerial Statement on the 9th March 2023 it was announced that RIS3 pipeline schemes would now be deferred to RIS4 (2030 – 35) Should the A27 scheme be included the full programme of works to the A27 could potentially be delivered during the plan period.
- 2.67 The Council has undertaken ongoing engagement with National Highways during the preparation of the Local Plan. However, there is no signed and published Statement of Common Ground between the Council and National Highways presenting an agreed position regarding the proposed cap of 535 dpa and the implications on the A27 in providing for LHN. The Council’s DTC Statement identifies that a SCOG has been drafted but not signed. Therefore, it has not been established that National Highways would not support a higher growth scenario in the south of the plan area in relation to the highways mitigation package that can currently be delivered.

- 2.68 The Council's 2023 Transport Study⁸ included a sensitivity test of 700 dpa in the south of the plan area to see if higher levels of growth could be supported by the proposed mitigation package for 535 dpa. This study concluded that the demands from 700 dpa could generally be supported but capacity issues would worsen at Portfield and Oving Junctions that would require further mitigation. In relation to further mitigation, the 2023 Transport Study states that West Sussex County Council (WSCC) has indicated that their preferred approach to mitigating impacts on their network is through sustainable mitigation with less reliance on physical mitigation.
- 2.69 In conclusion, there is potential to accommodate growth of approximately 700dpa in the south of the plan area. Therefore, in accordance with NPPF (paragraph 115) LHN could be provided for without an unacceptable impact on highway safety, or a severe residual cumulative impact on the highway network.
- 2.70 In relation to the growth strategy for the plan area (including growth potential in the north) there is potential to provide a lower level of growth in the south (i.e. below 700 dpa) and still provide for LHN derived from the standard method.

LHN and North of the Plan Area

- 2.71 In the north of the plan area the Local Plan proposes to deliver 40dpa over the plan period to 2039. It is considered that the Council has not presented robust evidence to justify delivery of only 40dpa in the north of the plan area and higher growth options in the north have been ruled out contrary to the Council's evidence and SA.
- 2.72 The Local Plan and SA set out the rationale for lower growth in the north-east of the plan area based on rurality, transport and accessibility, landscape and historic environment impact and the area falling within a constrained water resource area. Higher levels of growth were ruled out in Wisborough Green, Plaistow and Ifold and Kirdford due to impact on rural character, landscape and historic environment in particular.
- 2.73 In relation to strategic factors i.e. settlement hierarchy, broad distribution factors (areas of the north suited to growth) and bottom-up factors (merits of the sites) there is potential to deliver a higher level of growth in the north of the plan area than currently identified in the Local Plan.

⁸ Chichester Transport Study Local Plan Review Transport Assessment, Stantec (January 2023)

Settlement Hierarchy

- 2.74 The north of the plan area comprises service villages which includes settlements that provide a reasonable range of facilities and services to meet every day needs of residents including i.e. primary school, convenience store and post office or have reasonable access to them in nearby settlements. The settlement hierarchy identifies the service villages of Kirdford, Loxwood, Plaistow/Ifold and Wisborough Green as a focus for growth outside of Chichester City Centre and the Settlement Hubs.
- 2.75 The proposed growth strategy for the north fails to justify why a higher level of growth cannot be accommodated in the most sustainable settlements. Wisborough Green and Loxwood have a good range of facilities / services and are connected to higher order settlements of Billingshurst and Horsham and are capable of sustainably accommodating a higher level of growth than currently proposed in the Plan.

Transport and Accessibility

- 2.76 The service villages of Loxwood and Wisborough Green are connected by bus services to higher order settlements and associated services and facilities including Billingshurst and Horsham which makes them sustainable locations to accommodate growth. In relation to transport and accessibility a higher level of growth can be supported in these settlements than currently identified in the Plan.

Landscape

- 2.77 Landscape impact is a key consideration in relation to growth scenarios in the north of the plan area. However, the SA does not identify significant landscape constraints to the delivery of higher growth scenarios in Loxwood and Wisborough Green. In relation to landscape the SA (paragraph 5.2.43) demonstrates that a higher growth scenario in Wisborough Green can be accommodated. The SA concludes that while the village is in close proximity to the SDNP visual and footpath / bridleway links to the SDNP are limited. The Landscape Capacity Assessment⁹ concludes that there is capacity for further development to come forward on the settlement edge provided it is informed by further landscape and visual impact assessment and sensitively integrated into the landscape. Therefore, in the context of a

⁹ Chichester Local Plan Review Landscape Capacity Assessment, Terra Firma Consultancy Ltd, March 2019.

higher growth scenario impacts on the landscape can be minimised with appropriate site selection and mitigation.

Historic Environment

- 2.78 In relation to the historic environment Kirdford, Plaistow and Wisborough Green all have designated conservation areas, and Loxwood has a notable historic core, whilst Ifold has limited historic character.
- 2.79 The SA identifies that in Kirdford, Plaistow and Wisborough Green there is good potential to deliver proportionate growth where adverse impacts on conservation areas and listed buildings can be avoided or suitably mitigated.
- 2.80 In Wisborough Green the SA identifies an historic environment constraint in relation to impact on heritage assets including the conservation area and listed buildings including the Grade I listed church. However, the SA identifies that there is potential to deliver a higher growth scenario with appropriate mitigation in place including appropriate buffers to heritage assets.

Biodiversity

- 2.81 Overall, biodiversity is not a significant constraint to the delivery of a higher growth scenario in the north of the plan area. The SA does not identify any significant risks to nationally designated SSSI or locally designated SNCIs.
- 2.82 Of the northern service villages, Kirdford is constrained under a higher growth scenario in relation to a dense network of ancient woodlands.
- 2.83 The SA identifies proximity of Wisborough Green to the Mens SAC as a potential constraint to growth. However, the SA concludes that it is not possible to determine that lower growth is preferable to higher growth. The Habitats Regulations Assessment¹⁰ also identifies that all Neighbourhood Plans will be subject to their own HRA which will ensure that impacts on functionally linked bat habitat are minimised, and that site allocation policies are drafted to ensure preservation of functionally linked habitats. In relation to atmospheric pollution, the HRA concludes that there will be no adverse effect on the integrity of Mens SAC either alone,

¹⁰ Chichester Local Plan Habitats Regulations Assessment, Aecom (January 2023)

or in combination with other plans or projects. Therefore, there is potential for higher growth to be considered in Wisborough Green subject to site appropriate selection and mitigation measures.

- 2.84 In relation to Loxwood the SA does not identify any overriding constraints that would prevent the delivery of a higher growth scenario.

Water Neutrality / Water Quality

- 2.85 Groundwater abstraction from Pulborough (in Horsham District) is impacting on designated wetland and riverine habitats along the Arun Valley. This is a primary source of water within the Sussex North Water Resource Zone (WRZ), which covers the northeast plan area as well as a wider area.

- 2.86 Natural England issued a Position Statement in September 2021, advising that all new developments within the WRZ must demonstrate water neutrality via a combination of water efficiency and offsetting, and that this advice is likely to stand until a strategic solution is found, which may not be before 2030.

- 2.87 A joint Mitigation Strategy was agreed in December 2022 which assumes 20,000 homes across the WRZ over the period 2021 – 2039 and assumes that all development will achieve the highest standards of water efficiency. It also assumes that the water company (Southern Water) will undertake prescribed steps to reduce the need for abstraction.

- 2.88 Of the 20,000 homes across the WRZ the mitigation strategy enables the delivery of 1,796 dwellings in the north-east of the Chichester Plan area. This equates to approximately 100 dpa in the north of the plan area over the plan period.

- 2.89 On the basis of these assumptions, Natural England agrees that offsetting schemes – once secured – should be sufficient to ensure that growth across the WRZ will not increase water demand for water (as measured against baseline demand as set out in Southern Water’s 2019 Water Resource Management Plan).

- 2.90 In relation to water quality, the SA identifies the need for sufficient waste water treatment works (WWTW) capacity in the Plaistow / Ifold and Loxwood area. The SA concludes that there is potential to deliver capacity upgrades to WWTWs during the plan period to support growth.

- 2.91 In relation to water neutrality and the mitigation strategy there is ability to provide for 100 dwellings per annum in the north of the plan area which is significantly above the 40dpa currently identified in the Local Plan. Therefore, it is considered unreasonable that a higher growth option has been ruled out in the north of the plan area on the basis of a constrained water supply.

Growth Scenarios and Site Selection

- 2.92 The SA has considered 5 growth scenarios for the northeast of the plan area. The higher growth scenario for the north-east has been discounted mainly due to the impact of a 1,050-dwelling extension to Loxwood. The SA identifies a preferred growth scenario which includes a blend of growth scenarios 1 and 2 (including significant growth in Loxwood) but fails to justify why a higher growth scenario cannot be supported which could include a revised growth scenario for Loxwood (above 220 dwellings) and including higher growth in Wisborough Green (above 75 dwellings).
- 2.93 The SA and site selection process has informed the growth strategy for the north in relation to sites that have been assessed through the HELAA and or considered through the preparation of Neighbourhood Plans. This process has not considered all suitable, available and achievable site options in the most sustainable settlements which could facilitate a higher level of growth. In particular, land at Durban's Road, Wisborough Green provides the ability to deliver a further 50 homes (above the 75 identified in the Plan) in a sustainable location in the village without significant adverse impacts on rural character, landscape, heritage and ecology.

Conclusions

- 2.94 The Council has failed to provide robust evidence to justify why the north-east of the plan area cannot accommodate a higher level of growth. The Local Plan proposes a housing requirement significantly below LHN derived from the standard method. Higher growth scenarios in the north-east of the plan area have been discounted without sufficient justification and contrary to the Council's own evidence and SA.
- 2.95 In terms of settlement hierarchy, the service villages of Wisborough Green and Loxwood can accommodate a higher level of growth than identified in the Local Plan commensurate with their role, status, function and sustainability and local constraints.

- 2.96 In relation to transport and accessibility there is scope to accommodate a higher level of growth in the most sustainable northern settlements including Wisborough Green and Loxwood which are well connected to higher order settlements.
- 2.97 The Local Plan SA concludes that in relation to landscape, historic environment and biodiversity there is not an overriding constraint to achieving a higher level of growth as tested through the SA.
- 2.98 In terms of water neutrality, the Joint Mitigation Strategy enables the delivery of approximately 1,800 homes in the north-east of the district over the plan period to 2039 which would enable growth of 100 dpa, significantly above the 40 dwellings currently identified in the Submission Local Plan. In terms of water neutrality, the local plan would have been able to accommodate the higher growth scenario of 1,650 dwellings in the north including 125 dwellings at Wisborough Green.
- 2.99 In terms of site selection, the SA has considered sites which have been assessed through the HELAA and those considered through the preparation of Neighbourhood Plans. This has not considered all suitable, available and achievable site options which could sustainably support a higher level of growth. In particular, the Plan does not identify land at Durbans Road, Wisborough Green which is capable of sustainably providing for an additional 50 dwellings.
- 2.100 Overall, there is scope to accommodate a higher level of growth in the north of the plan area in relation to settlement hierarchy, constraints and site options. There is a need for the Council to reconsider growth options for the north of the plan area, particularly in relation to the shortfall against LHN.

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?

- 2.101 Paragraph 67 of the NPPF requires local plan strategic policies to set out an overall housing requirement for designated neighbourhood plan areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations. Once strategic policies have been adopted, these figures should not need re-testing at the neighbourhood plan examination, unless there has been a significant change in circumstances that affects the requirement.

- 2.102 Local Plan Policy H3 makes no reference to a methodology for establishing NDP housing requirement figures and it is understood that this is not addressed in a relevant background paper. However, the SA Report sets out consideration at paragraph 5.4 for Parish / Settlement Scenarios within the plan area as a whole. It is understood that this process has informed the overall distribution of growth in the plan area and the identification of housing requirement figures for designated neighbourhood plan areas.
- 2.103 The SA identifies parishes that are suitable for growth in relation to the settlement hierarchy. For the north-east of the plan area the SA considers all 4 settlements placed in the same tier (service villages) of the settlement hierarchy. The SA then considers sustainability factors including accessibility, connectivity to other settlements and constraints to determine parishes where growth is appropriate. The SA then goes on to consider bottom-up factors including the merits of the sites currently identified in the HELAA to establish parish housing figures.
- 2.104 It is considered that the SA process for establishing parish growth scenarios and NDP housing figures is not justified as it discounts higher growth scenarios in sustainable settlements / parishes in the north-east of the district including Wisborough Green and Loxwood. It's considered that a higher growth scenario and higher NDP housing figures in the north are justified in relation to strategic factors including settlement hierarchy, constraints and the availability of good sites.
- 2.105 The SA concludes that Wisborough Green is relatively suited to growth as it is well connected to Billingshurst and Horsham, and there are a number of local facilities and services. The SA Preferred growth scenario for the north of the plan area identifies 75 dwellings for Wisborough Green. However, Wisborough Green is capable of delivering a higher level of growth in relation to settlement hierarchy, range of local services and facilities, connectivity to higher order settlements and in view of local constraints. Land at Durbans Road can provide for an additional 50 dwellings (over and above the 75 dwellings identified in the local plan) on a site which relates positively to the settlement boundary without significant effects on rural character, landscape, heritage and ecology.

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?

2.106 The last sentence in Policy H3 states:

“If draft neighbourhood plans making provision for at least the minimum housing numbers of the relevant area have not made demonstrable progress the council will allocate sites for development within a development plan document in order to meet the requirements of this Local Plan.”

2.107 Paragraph 5.10 of the Submission Local Plan refers to the preparation of a subsequent Site Allocations DPD. The policy wording would benefit from further clarification to confirm that if NDP housing requirement figures are not delivered through Neighbourhood Plans then the Council will allocate sufficient sites through the Site Allocations DPD scheduled for preparation in the Council’s latest Local Development Scheme.

2.108 The Site Allocations DPD is scheduled to commence preparation in 2025 with adoption in 2027. In the light of the draft NPPF it is anticipated that the Council will need to commence an early review of the Local Plan in step with implementation of the new planning system (anticipated summer / autumn 2025). Therefore, the Council will need to consider implications of this for the timing of the Site Allocations DPD.

3.0 CONCLUSIONS AND RECOMMENDATION

- 3.1 It is considered that Policy H1 Meeting Housing Needs is not positively prepared or justified as it fails to provide for LHN (standard method) where the Council's evidence demonstrates a higher level of growth could be accommodated in the north and south of the plan area.
- 3.2 In the south of the plan area the Council's transport modelling demonstrates that approximately 700 dpa can be accommodated with planned improvements to the A27 without causing a severe impact on the SRN.
- 3.3 In the north of the plan area a higher level of growth is achievable (above 40 dpa) in the most sustainable settlements including Wisborough Green and Loxwood. These settlements are appropriate to accommodate a higher level of growth in relation to settlement hierarchy, accessibility to a range of local facilities and services and local constraints (including landscape, historic environment and biodiversity).
- 3.4 Water neutrality is a significant issue for the north of the plan area but there is a Joint Mitigation Strategy in place which is capable of supporting growth of 1,800 dwellings (100 dpa) in the north of the plan area over the plan period to 2039. Therefore, in relation to water neutrality growth should not be restricted to 40dpa in the north of the plan area.
- 3.5 In relation to site selection, in the north of the plan area there are further sustainable site options not currently considered in the plan which are suitable, available and achievable. This includes Land at Durbans Road, Wisborough Green which is capable of providing for a further 50 dwellings.
- 3.6 From the Duty to Co-operate process there is evidence of definitive unmet need from neighbouring authorities including Havant, Horsham and also anticipated in the South Downs National Park. There is also considerable uncertainty regarding the ability of Arun, East Hants and Waverley in providing for LHN, particularly in light of proposed changes to the NPPF and standard method. Currently there is no effective strategy in place to deal with unmet housing need in the wider area.
- 3.7 It is recommended that the Council revisits the growth strategy options for the plan area as the Council's evidence points to a higher growth option (potentially higher than current standard method) being achievable and consistent with national policy. Through this process

the Council should further explore the potential to contribute towards unmet need of neighbouring authorities.

- 3.8 It is considered that Policy H3 Non-Strategic Parish Housing Requirements 2021 – 2039 is not positively prepared or justified. As part of the overall development strategy, it results in LHN not being provided for in the plan area where the Council's evidence demonstrates a higher level of growth is deliverable.
- 3.9 In relation to strategic factors including settlement hierarchy, broad distribution factors and bottom-up factors (merits of the site options) there is potential to deliver a higher level of growth in the most sustainable parishes including Wisborough Green and Loxwood.
- 3.10 It is recommended that as part of the process of reviewing reasonable alternative growth scenarios the parish housing requirements are also revisited.

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