Town and Country Planning Act 1990 (As Amended)

Chichester Local Plan Review 2035: Preferred Approach (Regulation 18 Consultation)

Representations on Behalf of: Danescroft Land Limited

04 February 2019



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1.0 <u>Instructions and Introduction</u>

(i) Instructions

- 1.1 Neame Sutton Limited, Chartered Town Planners, is instructed by Danescroft Land Limited ("Danescroft") to prepare and submit representations in relation to the Chichester Local Plan Review 2035: Preferred Options consultation document ("the Draft Plan").
 - (ii) Introduction
- 1.2 The remainder of this document sets out Danescroft's representations on the Draft Plan and deals with the following matters:
 - Section 2 Sets out representations on the housing requirement and spatial distribution of housing; and,
 - Section 3 Identifies those areas where changes are required to the Draft Plan.
- 1.3 This representation document is accompanied by duly completed consultation response proformas and reference is made to the relevant paragraph or policy within the Draft Plan throughout these representations.

2.0 Representations on Regulation 18 Consultation Draft Local Plan Review 2035

(i) Housing Requirement

Policy S4 and Paragraphs 4.22 – 4.24 – OBJECT:

2.1 These representations focus on the housing delivery components of the Draft Plan. In this respect the starting point is the consideration of the minimum housing requirement for the Draft Plan having regard to the relevant evidence and the Government's Standard Method for calculating housing requirement¹.

Minimum Housing Requirement:

- 2.2 The Council appears to have derived its minimum housing requirement set out in Policy S4 from its Housing and Economic Development Needs Assessment ("HEDNA"), which does consider the Standard Method.
- 2.3 The minimum housing requirement figure arrived at in the HEDNA equates to 609 dpa² applying a 40% cap to the market signals uplift as set out in the NPPG.
- 2.4 The Council's more recent Housing Background Paper (January 2019) provides a helpful summary of the calculation that has been undertaken in the HEDNA to reach the capped figure of 609 dpa:

Table 1: Extract from Housing Background Paper – January 2019

THE BASELINE (Step 1)	517 households per annum	Source: 2014-based household projections for the period 2016-26. Note: this figure applies to the entire Chichester District rather than the Plan Area alone
ADJUSTMENT FOR AFFORDABILITY (Step 2a)	+51%	Adjustment factor = (12.22 (Local affordability ratio) – 4)/4 X 0.25. Note: this adjustment factor applies to the entire Chichester District, not just the Plan Area. 517 (Step 1) x 51% (Step 2a) Note: this figure applies to the entire Chichester District, not just the Plan Area.
UNCAPPED LOCAL HOUSING FIGURE NEED (Step 2b)	775 dwellings per annum	
CAPPING THE INCREASE (Step 3)	609 dwellings	435 (adopted LP requirement per annum) x 40% (cap afforded by PPG) Note: this capped figure applies to the Plan Area, reflecting the geographic coverage of the adopted Local Plan.

Source: Paragraph 3.5 of Housing Background Paper – January 2019

¹ Paragraph 60 of the Framework 2018 and the NPPG ID: 2a-004-20180913 refer.

² Paragraph 11 on Page 6 of the HEDNA – January 2018

- 2.5 It is clear that the affordability ratio in Chichester is high at 12.22. This compares with a national average of around 7.16. As a consequence the uncapped adjustment for affordability equates to 51%, which would generate a minimum requirement of 775 dpa. Equally if the 40% cap was to apply to the baseline position of 517 dpa this would generate a minimum requirement of 724 dpa.
- 2.6 The Council is currently able to rely on the use of the 40% cap being applied to the housing requirement set out in the adopted Local Plan i.e. 435 dpa x 1.4 = 609 dpa. This approach however ignores the context for this current Local Plan Review, which is that the previous Inspector required the Council to undertake and complete a full review of the Local Plan within 5 years of adoption in order to address the fact that the housing requirement of 435 dpa fell short of the OAN identified by the Council at that time in its SHMA.
- 2.7 The Council's current approach applying the 40% cap to the adopted Local Plan requirement, whilst in accordance with the Standard Method approach, would serve to perpetuate the problem in Chichester generated by the adoption of the current Local Plan, namely the under provision of housing against a higher requirement.
- 2.8 The Standard Method allows for an increase in the housing requirement above that calculated and this is clearly a case where an increase is warranted.
- 2.9 The Council's application of the 2014-based household projections to the Standard Method calculation is considered correct, particularly in the light of the recent Technical Consultation on updates to National Planning Policy and Guidance published by Government on 26 October 2018 that confirms the Government's clear expectation that the later 2016-based household projections should not be used for the purposes of calculating housing requirement³.
- 2.10 In Neame Sutton's view the Council should at least look to meeting the capped requirement based on the baseline position i.e. 724 dpa.

Unmet Need:

- 2.11 The Housing Background Paper (and other sources in the evidence base) confirm that the Council has agreed under the Duty to Cooperate to take a proportion of the unmet need arising from South Downs National Park ("SDNP") specifically in relation to that section of the SDNP that lies within Chichester District. The Housing Background Paper advises that there is an unmet need arising from SDNP of 44 dpa4 and that the Council has agreed to take 41 dpa5.
- 2.12 The Housing Background Paper also states that the SDNP unmet need is not derived from a Standard Method calculation.

³ Paragraph 19 on Page 10 of the Technical Consultation document – October 2018

⁴ Paragraph 3.13 of Housing Background Paper – January 2019

⁵ Paragraph 3.16 of Housing Background Paper – January 2019

- 2.13 On the basis of the above there are a number of concerns with the approach the Council is now taking:
 - 2.13.1 Concern 1: The Council is proposing to deal with unmet need arising from the SDNP on the basis of a calculation, which it accepts is not formulated on the same basis as its own housing requirement, namely the Standard Method. It cannot therefore be a reliable calculation of unmet need:
 - 2.13.2 Concern 2: The SDNP identifies its unmet need for Chichester as 44 dpa (over a 19 year plan period) yet the Council is currently proposing to meet only 41 dpa (over a 19 year plan period). There is no reasoned justification or evidence presented by the Council for failing to meet the full unmet need of 44 dpa it has identified (even assuming that is the correct figure to work from). The Draft Plan is therefore deficient in terms of meeting unmet need.
- 2.14 Finally, it is noted from Paragraph 4.23 on Page 36 of the Draft Plan that the Council is continuing to work with other local authorities to determine the extent of housing needs across the HMA and that further studies are being commissioned. The Council may therefore need to address further unmet need from elsewhere beyond that identified from SDNP. This matter must therefore be addressed before the Council proceed to finalise its minimum housing requirement in the next iteration of the Draft Plan.
- 2.15 Based on the above points Neame Sutton considers that the minimum housing requirement for the Draft Plan should be amended as follows:

Table 2: Neame Sutton Calculation of Minimum Housing Requirement

Components of Housing Requirement	Dwellings
Minimum Housing Requirement (40% cap based on	724 dpa
baseline figure – 2014-based household projections)	
Unmet Need arising from SDNP	44 dpa
Total Minimum Housing Requirement	768 dpa

2.16 It is relevant to note in relation to the above figure that the Sustainability Appraisal ("SA") that accompanies the Draft Plan has tested a housing requirement figure of 800 dpa (Option 2). This option (although not the Council's preferred Option) actually scores better than the Council's Preferred Option of 650 dpa in relation to numerous Assessment Criteria, most notably Criteria 8A, 8B, 9, 10A, 10B, 11A, 11B and, 12B⁶. The extent of the negative impacts when compared with the Council's Preferred Option is limited and appears to relate only to an increase in the negative impacts experienced by the Council's Preferred Option all of which the Council considers (in the context of its Preferred Option) are capable of being mitigated. That being the case the SA appears to lend more support for a higher growth option beyond the housing requirement figure suggested by Neame Sutton above.

⁶ See Table 2 on Pages 11 – 13 of the SA – October 2018

- 2.17 The approach set out in Table 2 above would also assist the Council in seeking to meet its longer-term growth requirements as set out at Paragraphs 4.30 – 4.33 of the Draft Plan.
 - (ii) Spatial Strategy and Distribution of Housing

Policy \$1 - OBJECT:

2.18 Whilst the inclusion of a policy that imports the presumption in favour of sustainable development from the Framework into the Development Plan is supported the Council needs to update the wording of the draft policy to correctly reflect the wording at Paragraph 11 (particularly 11(d)(i)) of the Framework 2018.

Policy S2 - SUPPORT:

2.19 The identification of Chichester City as a Sub-Regional Centre and therefore the focus for development in the District is supported. Chichester represents the most sustainable location for growth in the District and it is therefore right that the Draft Plan continues to focus on the city within its settlement hierarchy.

Policy \$3 - SUPPORT:

The strategic priority for focussing growth on Chichester City set out in Policy S2 is carried 2.20 forward into Policy \$3, which is considered to be correct. The city currently offers the best potential for strategic scale growth in the District and the Council should seek to take all suitable, available and achievable opportunities for growth within and immediately adjacent to the city.

Policy \$5 - OBJECT:

- 2.21 It is unclear why the Council has made an allocation of 50 dwellings for Chichester city in the Parish Housing Requirements 2016 - 2035. There does not appear to be any reason for this allocation in the policy or the supporting text other than to state that the site allocations to meet the 50 dwelling minimum requirement will be delivered through a Local Plan Part 2. The basis for this figure should be clearly set out together with the rationale for a) why it falls outside of the strategic allocations proposed around the city and b) why the figure of 50 dwellings has been chosen. For example why is the minimum allocation not 100 or 150 dwellings?
- 2.22 A potential opportunity for sustainable growth around the city appears to be overlooked here. Given the need to meet the challenging minimum housing requirement, which as set out above is likely to need to increase and, the importance of maintaining a 5-year housing land supply across the Plan period, the Council should seek to make the best of all sustainable opportunities, particularly those that can deliver early in the Plan period.

Changes to Proposals Map – SB1 and AL3 – SUPPORT:

- 2.23 Danescroft supports the proposed changes to the Proposals Map in the Shopwyke area, specifically the proposed inclusion of land at the former Portfield Quarry site, Shopwyke Road within the defined settlement boundary of Chichester city (Proposals Map change SB1).
- 2.24 This area comprises predominantly previously-developed land that in combination with the adjacent Shopwyke Lakes Strategic Allocation (Policy AL2) comprises a sustainable location for growth as an established extension to the city (the wider site at Shopwyke Lakes currently being under construction).
- 2.25 The former Portfield Quarry site already benefits from positive planning history with consent being granted in Outline on 15 May 2017 for student accommodation development of up to 521 no. bedrooms⁷.
- 2.26 Danescroft considers that this site can make a valuable contribution to the Council's minimum housing requirement in both the adopted and emerging Local Plan via a new residential proposal including a mix of open market and affordable dwellings. Any residential development on the site can be delivered in the short term and will therefore make a valuable contribution to the Council's housing land supply in the early years of the Plan period (at least 84 no. dwellings). Given the reliance in the Council's development strategy on strategic allocations it is considered that the contribution this site can make to short-term delivery is particularly valuable. The inclusion of the site within the settlement boundary of the city by the Council therefore reinforces its suitability as a sustainable location for residential development to be assimilated into the adjacent Shopwyke Lakes scheme.
- 2.27 A site location plan is attached at Appendix 1 for ease of reference.
- 2.28 Danescroft is also supportive of the proposed Strategic Allocation to the south of Shopwyke Road (Policy AL3) as a continuation of the sustainable development potential to the east of the city.
- 2.29 Danescroft will work with the Council to ensure that its proposals for the former Portfield Quarry site continue to dovetail with the emerging development strategy in the Draft Plan.

3.0 **Areas Where Changes are Sought**

- 3.1 The following areas of the Draft Plan require amendment:
 - The minimum housing requirement for the Plan period having regard to the context for this Local Plan Review (see Table 2 above);
 - Properly addressing the unmet need arising from SDNP (see Table 2 above);
 - Amending the wording to Policy S1 to reflect Paragraph 11 of the Framework 2018; and,
 - Providing a clear explanation for the Chichester city allowance of 50 no. dwellings set out in Policy S5.