

Town and Country Planning Act 1990 (As Amended)

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

Representations on Behalf of: **Castle Properties**

04 February 2019



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1.0 Instructions and Introduction

(i) Instructions

- 1.1 Neame Sutton Limited, Chartered Town Planners, is instructed by Castle Properties 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 Castle Properties' 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 baseline figure – 2014-based household projections)	724 dpa
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

(ii) Spatial Strategy and Distribution of Housing

Policy S1 – OBJECT:

- 2.17 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.

Paragraph 3.16, Policy S2, Policy S3 (point 2 a), Policy S5 and Policy S19 – COMMENT:

- 2.18 The multiple references above to Loxwood in the Council's settlement hierarchy and distribution of housing as a larger village with development potential is supported. The Council's draft allocation of a minimum of 125 dwellings to the settlement in Policy S5 is also considered appropriate and is supported by the evidence based (particularly the SHLAA) that identifies a number of suitable, available and achievable sites in Loxwood that have the capacity to deliver the required level of housing in a timely manner.
- 2.19 Loxwood is a key settlement in the north of the District, which is not constrained in the same way as the southern area of the District. The settlement performs a key function for its community and the immediate rural hinterland and in this respect it is right for further housing growth to be allocated to maintain its function and ensure the needs of the community are met over the Plan period.
- 2.20 With specific regard to Policy S19 (and in the context of Loxwood) it is noted that the Council expects the allocation of sites to meet the minimum housing requirement to be delivered through the Neighbourhood Plan or a Local Plan Part 2. In this respect the provision within Policy S5 that the Parish Council must have submitted its Neighbourhood Plan for Examination within 6 months of the date of the adoption of the Local Plan is vital to ensure the timely delivery of the housing that is required. In the event that the Neighbourhood Plan fails the Council must be in a position to take over the housing allocation process through the emerging Local Plan Part 2.
- 2.21 Furthermore it is important that the Parish Council proceeds on the basis that the 125 dwelling requirement is a minimum as expressed in Policy S5 and only allocating the exact figure therefore will only achieve the bare minimum required. If there are further suitable, available and achievable sites that would deliver more than the minimum requirement the Parish Council should take the opportunity to allocate those sites now.
- 2.22 In the event that the overall housing requirement figure for the District is increased it is considered that Loxwood (along with a number of other settlements identified by the Council in its settlement hierarchy) offers the opportunity to deliver a proportionate increase in housing to meet the need identified.

- 2.23 Castle Properties will seek to work with the Parish Council to assist it in the preparation of the Neighbourhood Plan and the identification of suitable, available and achievable sites for allocation to meet the minimum housing requirement. The emphasis for this work will be on Castle Properties' land interest at Loxwood Farm Place, High Street, Loxwood, which comprises a suitable, available and achievable location for housing (approximately 25 no. dwellings) as confirmed in the Council's SHLAA 2018 (Site Ref: HLX0007). This site has been the subject of extensive and detailed consideration by a previous S78 Inspector and indeed the Secretary of State ("SoS") who found that a scheme of 25 no. dwellings could be accommodated on the site without any fundamental constraints⁷. In fact the sole basis for the dismissal of the previous appeal was the conflict with a recently made Neighbourhood Plan. The site would make a valuable contribution to Loxwood's housing requirement both in terms of open market and affordable housing provision.
- 2.24 A site location plan is attached at Appendix 1 for ease of reference.
- 2.25 In the event that the Parish Council does not progress its Neighbourhood Plan (as prescribed by draft Policy S5) Castle Properties will promote the site through the Local Plan Part 2 process in due course.
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⁷ Paragraph 21 of the SoS decision refers - APP/L3815/A/14/2223343

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;
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