

82. The application of the new standardised method of assessing housing need would not be appropriate as transitional arrangements indicate that it should not be used for Local Plans submitted before the revised NPPF is published.

Other Needs in the Housing Market Area

83. The previous Inspectors identified that the needs of the HMA were not being met through the then emerging plans of the constituent authorities. They suggested that the updated SA should test higher levels of growth against the sustainability principles set out in the NPPF. The SA has tested provision of an additional 1,600 dwellings and concluded that negative effects can be mitigated by policies of the LP. As explained in relation to the DtC the LP therefore provides for the additional dwellings to meet other needs in the HMA (Chichester and Worthing).

Housing Requirement

84. Taking the OAN together with the housing needs from elsewhere in the HMA results in a housing requirement of some 1,000 dpa or 20,000 homes over the LP period. This represents a significant level of growth. However, the SA and HRA together with other parts of the evidence base such as the SFRA and the SSWMS indicate that the level of growth can be accommodated without significant negative effects. This is supported by my analysis of the strategic housing allocations set out below. As a result meeting the full OAN and some needs from elsewhere would be consistent with policies in the NPPF.
85. Policy H SP1 reflects the requirement for 20,000 homes. However, in the light of the objective to boost significantly the supply of housing, the figure should be seen as a minimum figure rather than a target. This change to ensure that the LP is positively prepared and consistent with national policy would be achieved by MM25.

Conclusions on Issue 5

86. Taking into account the above, including the MM recommended, the Plan meets the full objectively assessed needs for market and affordable housing in the area.

Issue 6 - Whether provision is likely to meet the identified need for housing over the Plan period

The Stepped Approach to Delivery

87. Policy H SP1 includes a stepped approach to housing delivery increasing from 610 dpa between 2011/12 to 2015/16 to a peak of 1,310 dpa between 2020/21 to 2025/26. The LP proposes strategic allocations to bridge the considerable gap between existing supply and the large increase in the OAN. This will require a step change in delivery. It will not be straightforward to deliver the strategic sites which will require master-planning, related infrastructure and in some cases significant lead in times.
88. Delivering a greater range of sites within the LP, including smaller sites which would take less time to get off the ground, would have been one way of potentially avoiding a stepped delivery. However, the LP relies on NPs and a

Non-Strategic Sites DPD to deliver smaller allocations. To widen the scope of the Plan at this stage would further delay adoption of an up-to-date LP and delivery of housing. Housing targets need to be realistic and deliverable. The stepped approach within Policy H SP1 is justified by the particular circumstances. However, in order to ensure that the policy is effective the 5 year periods need to be clear within the policy and this would be achieved by MM25.

Flexibility in Supply

89. The projected supply of housing shown in Table 12.1 of the LP indicates 20,074 dwellings against the requirement of 20,000 (0.5% flexibility). However, the figures in the table are a conservative estimate of delivery from some of the sources. For example non-strategic sites which would comprise allocations of up to 300 dwellings are only shown as delivering 1,250 dwellings. In reality NPs and a Non-Strategic Site Allocations DPD providing coverage for the whole district would be likely to deliver considerably more than 1,250 homes. Moreover, up to date estimates show supply of 20,768 dwellings at 31 March 2017 which is a slight improvement in terms of flexibility. To reflect these circumstances and ensure an effective LP, the table should emphasise the correct position at 31 March 2017 and that the aforementioned supply source would achieve at least 1,250 dwellings (MM23).

Components of Supply

90. The components that will make up housing supply/delivery to meet the housing requirement shown in Table 12.1 are explained in the Housing Implementation Strategy (HIS). Housing and Economic Land Availability Assessment (HELAA) sites are those that lie within built-up area boundaries, are policy compliant but do not have planning permission. A 10% non-implementation rate has been applied to this source of supply.
91. Non-strategic sites are those to be allocated in NPs and a Non-Strategic Sites DPD. The Council has a strong track record in working with communities to deliver NPs which have allocated sites for 920 dwellings so far. There is a commitment to continue the process of delegating responsibility for the allocation of smaller sites to NP groups but with the DPD as an additional tool for those areas without an up-to-date NP. Although some of the supply from Non-Strategic Sites will come forward towards the end of the Plan period the HELAA indicates that sites are available.
92. Evidence of completions from sites of 5 units or less shows that such windfalls provide some 75 dpa. This figure has been projected forward to make up a windfall allowance but with an adjustment to take into account small site commitments so that there is no double counting. The windfall allowance is justified.
93. Strategic site allocations would provide land for some 11,350 dwellings. The Council anticipate that the vast majority of dwellings (10,750) will be delivered in the LP period. Whilst optimistic taking into account the size of the sites, mitigation and infrastructure requirements, and lead in times, the figures are informed by discussions with promoters/developers and supported by Statements of Common Ground for most sites.

94. The overall supply position for the Plan period is reasonable balancing conservative and optimistic estimates from the various sources.

Housing Trajectory and 5 year supply

95. The housing supply position and the 5 year supply should be based on the stepped delivery within Policy H SP1. It is accepted that persistent under-delivery has occurred so a 20% buffer should be moved forward from later in the Plan period. Because a 610 dpa requirement would be applied during the 2011-16 period there is limited undersupply from the early years of the LP but the shortfall should be dealt with by the Sedgefield method. In order to make the approach to calculating the 5 year supply clear to the decision maker, thus making the LP effective, an explanation should be included which would be achieved by MM22. Based on up to date figures and applying the stepped delivery, a 20% buffer and the Sedgefield method to making up the shortfall, supply was 5.3 years at 31 March 2017.
96. The HIS and the housing trajectory contained within the LP as Picture 12.1 (updated by MM23 to ensure an effective Plan) suggests that supply over the LP period will match the requirement but there will be peaks and troughs in delivery and potentially periods when a 5 year supply may not be achieved. However, actions are set out in the HIS to seek address any periods of shortfall. In the short-term the Council has agreed to invite planning applications on policy compliant HELAA sites and the first phases of some of the strategic allocations.
97. In the medium to longer term there will be a need for non-strategic sites to contribute to making up any anticipated shortfall against the trajectory. However, the LP only anticipates work commencing on a DPD some 3 years after the adoption of the LP. Adoption would be some 2 years after that at the earliest. In order to ensure no shortfalls in delivery through the Plan period and an effective LP the preparation of the DPD should be commenced immediately after adoption of this Plan. This is particularly important given the optimistic trajectories from some of the strategic housing sites which will have been affected by the later than anticipated adoption of this LP, particularly in terms of delivery in 2018/19. This change would be secured by MM24 and MM25 to ensure an effective Plan.
98. The LP does not include any mechanisms that would trigger a review or partial review should there be a lack of a 5 year supply. Section 10 of the HIS deals with monitoring but is not specific as to mechanisms and triggers. So that the LP is effective the circumstances where persistent under delivery of housing would necessitate a partial review should be included in the Plan which would be achieved by MM26.

Conclusions on Issue 6

99. Taking into account the above, including the MMs recommended, provision is likely to meet the identified need for housing over the Plan period.