

Core Strategy for Chiltern District – CDC/1

Chiltern District Council –Response to Inspectors Preliminary Questions (1) on – SHLAA and Housing Position [ID/1]

8 February 2011

FINAL

A. Overview

1. The purpose of this Paper is to set out Chiltern District Council's response to the issues and matters raised within the Inspector's Preliminary Questions (1) – SHLAA and Housing Position (ID/1), received by the Council on the 27th January 2011.
2. The Inspector raises two fundamental questions that need to be considered in detail within the Hearing Sessions about (1) whether the Core Strategy is in general conformity with the South East Plan (SEP) and (2) whether the Council's "proposed under-provision" of housing against the housing allocation set by the SEP is justified. He also identifies a number of areas in the Council's evidence where further clarification or supplementary information, if not already provided, is needed.
3. This Paper therefore aims to clarify some of these matters now. Where further detail needs to be prepared by the Council in advance of the hearing sessions, this Paper identifies what action will be taken by the Council and the timescale.
4. For ease of reference this Paper has been structured with similar topic headings to that of ID/1:
 - A. Overview
 - B. Overall Housing Position
 - C. Housing Land Supply Trajectory 2006 to 2026

- D. The SHLAA and the Housing Target
- E. Small Windfall Sites
- F. Policy CS2 Amount and Distribution of Residential Development

B. Overall Housing Position

5. Section 2 and parts of Section 1 of Document ID/1 consider the approach the Council has taken to the overall housing position within the Core Strategy.
6. The emphasis that the Inspector has placed on the SHLAA as evidence for the Core Strategy is noted. Section C of this Paper responds to detailed questions about the SHLAA.
7. The Inspector helpfully acknowledges that it in essence, the Council has been a victim of circumstance caused by the changing status of regional strategies and the weight that should be given to ministerial statements. The Council formally published the Core Strategy in October 2010, when it was believed that all regional strategies had been unilaterally revoked. Only with the passing of time has it been established that this decision by the Secretary of State was unlawful. We do, however, accept the view in paragraph 2.1 of ID/1 that Section 4.2 of the Core Strategy needs factual updating along the lines suggested by the Inspector.

[CDC Action 1: A factual review of Section 4.2 of the Core Strategy will be undertaken, which will be set out in a further 'Schedule of Proposed Minor Changes to the Core Strategy' dated February 2011 (unique CDN number to be agreed). This document, which will also include other suggested minor factual changes to the Core Strategy, will be passed to the Inspector and placed on the Council's website before the end of February.]

8. The observation in paragraph 2.3 that the Council is departing from the South East Plan is noted. This position within the Core Strategy is however that it is not “departing” from the Housing allocation within Policy H1 of the SEP by devising a fresh target figure. Rather, the view is that this figure has been appropriately adjusted to reflect recent material changes to national planning policy (see CDN108). Additionally, the Council maintains that, as the decision was taken by the Panel into the examination into the SEP to raise the figure from 2,400 dwellings to 2,900, it is right for the Core Strategy to question whether or not their rationale for doing so remains sound. The Council believes that in determining whether or not the lower housing target is justified, as much weight should be given to these matters as is given to the housing supply assumptions in the SHLAA.
9. Irrespective of whether the Core Strategy contains the housing allocation within the South East Plan (SEP) or the adjusted figure of 2,400, it remains one of the lowest housing figures within the whole of the South East of England Region. As set out throughout the Core Strategy, this is a reflection of the highly constrained nature of the District. However, it is important to stress that if the 2,400 dwelling target were reached before the end of the Core Strategy period, the Council would still continue to approve proposals for housing developments in appropriate locations.

[CDC Action 2: Notwithstanding the stated position above, it is agreed that, depending on the timing and outcome of legal proceedings and the timing of adoption of the Core Strategy, it should be made clear in the Core Strategy that the starting position for consideration of the housing target for Chiltern District is the SEP figure of 2,900. Refer to action at the end of paragraph 7]

10. The Council notes the Inspector’s request for the Council to have regard to the ‘need and demand’ for housing, set out within paragraph 33 of PPS3, as well as land supply constraints.

[CDC Action 3: Further clarification and expansion on this issue will be provided to the Inspector in advance of the Hearing Sessions. This is likely to draw on the work carried out on population projections by Bucks CC in 2006 and which has been updated in 2010. Although the 2010 update is yet to be published by Bucks CC, it is thought that it will be made available by 21 February]

C. Housing Land Supply Trajectory 2006 to 2026

11. The inconsistencies and anomalies mentioned in Section 3 of ID/1 are recognised.

[CDC Action 4: A full review of CDN089 is proposed (new CDN number to be given) by 21 February 2011, incorporating:

- ***A full update to Table H2-1, noting and correcting inaccuracies identified in ID/1 paragraph 3.2;***
- ***A review of Table H2-2 in light of comments by the Inspector in ID/1 paragraphs 3.3 to 3.8, including further clarification on key matters relating to assumed delivery rates on small housing sites, large housing sites and Local Plan Housing Sites (information relating to assumed supply at 2,900 dwelling target will also be included);***
- ***An indication of the anticipated housing supply position for Chiltern District at 31 March 2011. NB this will include assumptions about housing completions and permissions for the month of March, which can be expanded upon at the Hearing Sessions if considered appropriate by the Inspector.]***

D. The SHLAA Reports and the Housing Target

12. The Council agrees that the Core Strategy should be underpinned by robust evidence and accordingly notes the comments of the Inspector in Section 4 of ID/1. The Council also respectfully draws the Inspector's attention to guidance that all evidence should be necessary and proportionate.
13. It is noted that one of the fundamental questions to be explored at the Hearing Sessions is whether sufficient justification exists for the Core Strategy to pursue a lower housing target than that set within the SEP. As set out in CDN108, the Council is of the opinion that some of the original site density assumptions on housing sites identified in the SHLAA 2008 (CDN041), and carried forward into the SHLAA Supplementary Report 2010 (CDN088), are out-dated when compared against the average density of housing that has actually been, and continues to be, built in the District. The SHLAA Report 2008 pre-dates the recent changes to PPS3 (June 2010) where the presumption that all housing developments would have regard to the national indicative minimum density of 30 dwellings per hectare was removed.
14. CDN108 concludes that the total yield of housing likely to come from the SHLAA sites, is unlikely to be as high as the 1,775 dwellings established by the SHLAA Supplementary Report (CDN088). Accordingly the final recommendation of CDN108 is that Column E of Table 2 of the Core Strategy is amended to say that the additional potential housing in the SHLAA from which sites can be drawn is a range of between 1116 dwellings and 1586 dwellings. The Council maintains that it is important to reflect the potential supply from SHLAA sites as a range, as certainty over what will be actually be built on a SHLAA site, can only be established at the point that planning permission is granted. In this sense, and in others, the SHLAA is a living and dynamic document which can, and should be revisited in the light of changing circumstances.

[CDC Action 5: In the interest of strengthening the Council's existing evidence base it is therefore considered appropriate to carry out further 'reality checking' of the density assumptions of the SHLAA sites in the SHLAA 2008 in advance of the Hearing Sessions. This work will factor in the issues and other matters identified by the Inspector in Section 4 of ID/1. It is anticipated that this work will commence immediately and will be published as an update to the SHLAA before the end of February 2011.]

i) Housing Deliverability and the SHLAA

15. The SHLAA for Chiltern District has always been considered a living document. Its role, as noted by the Inspector, is to identify the basket of sites the Council will be able to draw housing from over the course of the Core Strategy. The Council, as committed within paragraph 19.2 of the Core Strategy, will monitor and manage housing delivery in the District over the plan period. The SHLAA will have a key role to play in this process. Any review of the SHLAA over the plan period will always look back to the total basket of sites identified within the SHLAA 2008 (CDN041) and establish, based on the priorities that exist at that time, the most appropriate sites to draw housing from.

16. Taking this into account, it is important to clarify the role that the Council envisages the SHLAA would have in ensuring that the Core Strategy can adequately demonstrate it will meet its 5, 10 and 15 year housing supply position, assuming a housing target of 2,400 dwellings.

17. The identification of strategic housing allocations and the major developed sites within the Green Belt (collectively the strategic sites) for housing within the Core Strategy, was a conscious policy decision to demonstrate that the Council will meet its five year housing land supply requirement at the point of adopting the Core Strategy. Therefore, based on a housing

target of 2,400, the Council would not be reliant in any way on sites coming forward within the SHLAA to meet the housing target for the first 5 years of the Core Strategy. Evidence put forward by the owners and agents of these strategic sites demonstrates the deliverability of them within this period (refer to CDN097).

18. Due to the anticipated completion rates of housing on sites with planning permission at March 2010 and the expected phasing of housing coming forward from the strategic sites, the Council is also satisfied that to supply 2,400 dwellings, only one or two SHLAA sites (if any) would be needed to meet the housing supply targets for years 5-10 of the Core Strategy.

19. As shown within CDN089¹, at 2,400 dwellings, it is only in years 10-15 of the Core Strategy that the suitable sites identified within the SHLAA Supplementary Report (CDN088) are anticipated to form the main basis of housing supply in the District. This does not currently factor in housing provision that is likely to come forward small windfall sites, which, given established trends (see Section E), the Council would expect to contribute around 250 dwellings in this period.

20. With a housing target of 2,400 dwellings, the Core Strategy is therefore not reliant on sites identified within the SHLAA to demonstrate a 'deliverable' supply of housing within the first 10 years. As the strategic sites will form the main basis of this housing supply in this 10 year (also refer to document CDN097) demonstrates how the requirements of paragraph 53 of PPS3 are met.

21. The SHLAA sites therefore represents an assurance that housing will be delivered because, should a failure in delivery of strategic sites be identified through monitoring, further identified sites exist from which an shortfall can be made up (the "basket of sites" referred to by the Inspector in his paragraph 4.9)

¹ Albeit that inconsistencies and anomalies within the tables need updating – refer to Section C of this Paper.

[CDC Action 6: Notwithstanding the limited contribution that the Council sees sites within the SHLAA making to the first 10 years housing supply, to assist the Inspector, further work on the deliverability of SHLAA sites will be incorporated into the update to the SHLAA mentioned earlier in this Paper in CDC Action 5.]

ii) The Townscape Character Assessment for Chiltern District

22. The Council completed work on its Townscape Character Assessment (TCA) in early February 2011. This objective study, which was prepared by Chris Blandford Associates, had not initially been considered necessary for inclusion as part of the evidence base for the Core Strategy. The main reason for this was that the TCA was principally intended to inform the production of the Council's Delivery DPD. As the TCA is likely to be used to inform future review of the SHLAA, in the interests of transparency the opportunity to make this available would be supported by this Council.

[CDC Action 7: With the agreement of the Inspector, that the TCA is made available in advance of 21 February 2011 as a supporting document to the Core Strategy - unique CDN number to be agreed]

E. Small Windfall Sites

23. In recent years the Council's Planning Policy Team has extensively monitored the amount of new housing in the District that comes from small windfall sites. As set out in Table 1, past trends indicate that since 1996 an average of 51 dwellings per annum have been built in the District on small windfall sites. The completion figures for 2010/2011 are yet to be finalised but can be made available in advance of the Hearing Sessions.

**Table 1: Housing completions on small windfall sites between 1996/7 and 2009/10
(Source: CDC Housing Monitoring Information)**

Year	Total Completions (net)	Completions on Small Windfall Sites (≤ 4 dwellings) net	% of total housing completions
2009/10	74	45	60.8%
2008/9	89	50	56.2%
2007/8	178	68	38.2%
2006/7	215	48	22.3%
2005/6	216	34	15.7%
2004/5	199	63	31.7%
2003/4	235	91	38.7%
2002/3	76	45	59.2%
2001/2	100	47	47%
2000/1	115	51	44.3%
1999/0	138	43	31.2%
1998/9	122	28	23.0%
1997/8	145	46	31.7%
1996/7	133	48	36.1%
Total for Period (1996 to 2010)	1935	707	36.5%
Annual Average Contribution from Small Windfall Sites (1996 to 2010)	51	[707 / 14 yrs]	

24. Given the significant contribution that small windfall sites have made to the overall provision of housing in the District over recent years, the Council is of the view that it is disproportionately disadvantaged by the presumption within PPS3 that prevents local authorities including windfalls in the first 10 years of its land supply. The Council would therefore welcome the opportunity to discuss how, given the District's genuine local circumstances, an allowance for housing from small windfall sites could robustly and realistically be factored into the first 10 years housing supply.

25. Notwithstanding the above, based on past completion rates, it is anticipated that in years 10 to 15 of the Core Strategy around 250 dwellings could realistically be provided from small windfall sites.

[CDC Action 8: Further information on windfalls will be provided as part of the work on the Housing Trajectory (see section C). This information will take into account the requirements of PPS3. In addition, the Council will provide the Inspector with the evidence that underpins the historic windfall delivery rates in the District shown in Table 1.]

F. Policy CS2 Amount and Distribution of Residential Development

26. The Inspector's interpretation in ID/1 paragraph 6.2, of Policy CS 2 of the Core Strategy is correct. As written Policy CS2 focuses housing in the four main settlements (1,800 dwellings), with the remaining target (600 dwellings) to be built in the other villages excluded from the Green Belt. The Council therefore recognises the point made by the Inspector, that the anticipated housing provision that would come from major developed sites within the Green Belt, could, due to the way the policy is worded, be interpreted as being "*additional to that planned in the main settlements and villages*".

27. As noted by the Inspector, Table 2, column D of the Core Strategy, shows that the total supply of housing for the four main settlements is taken by the Council to include the major developed sites (MDSs) within the Green Belt. The Council's rationale for adopting this approach relates to the close functional relationship that these MDSs (Policy CS7) will have to the main settlements of the District to which they are closely located.

[CDC Action 9: The Council recognises that minor alterations may be needed to the Core Strategy to resolve the inconsistency between the way Policy CS2 is drafted and the housing supply detail contained within Table 2. For clarification it is therefore suggested that a minor

addition is made to the wording in the second row of Policy CS2, along the following lines (proposed additional text is underlined):

Settlement Type	Combined Number of Dwellings
Main Settlements (Chesham, Amersham, Little Chalfont and Chalfont St Peter) <u>and from the sites identified in Policy CS7</u>	1800
Villages excluded from the Green Belt (including Chalfont St Giles, Great Missenden, Prestwood & Heath End, Holmer Green, Penn & Knotty Green, Chesham Bois, Seer Green)	600
TOTAL	2,400

This minor change will also be set out within the new ‘Proposed Schedule of Minor Changes’ described in the CDC Action 1.]

28. The Inspector’s observation relating to the inconsistent way in which the urban areas are described in paragraph 7.3c) and in Policy CS1 and Policy CS2 is noted (paragraph 6.3 of ID/2). This is a conscious action by the Council. The differences in description occur because the way in which the main settlement areas are described in Scenario 3 of the Core Strategy Option Paper June 2008 (CDN049) changed in the Core Strategy for Chiltern District Consultation Draft March 2010 (CDN084). The description of the main settlement areas was simply altered to recognise the concerns of local residents and the Parish Council that Little Chalfont is a settlement of its own and not just part of the ‘Amersham Urban Area’.

29. The Council also notes the further expansion of the issues raised in Para 6.3 [ID/1] within the Inspectors Preliminary Questions (2) – The Spatial Strategy [ID/2].

[CDC Action 10: To expand on the matters raised in respect of Section 6 of ID/1, within its full response to the matter raised in ID/2]

Chiltern District Council

8th February 2011