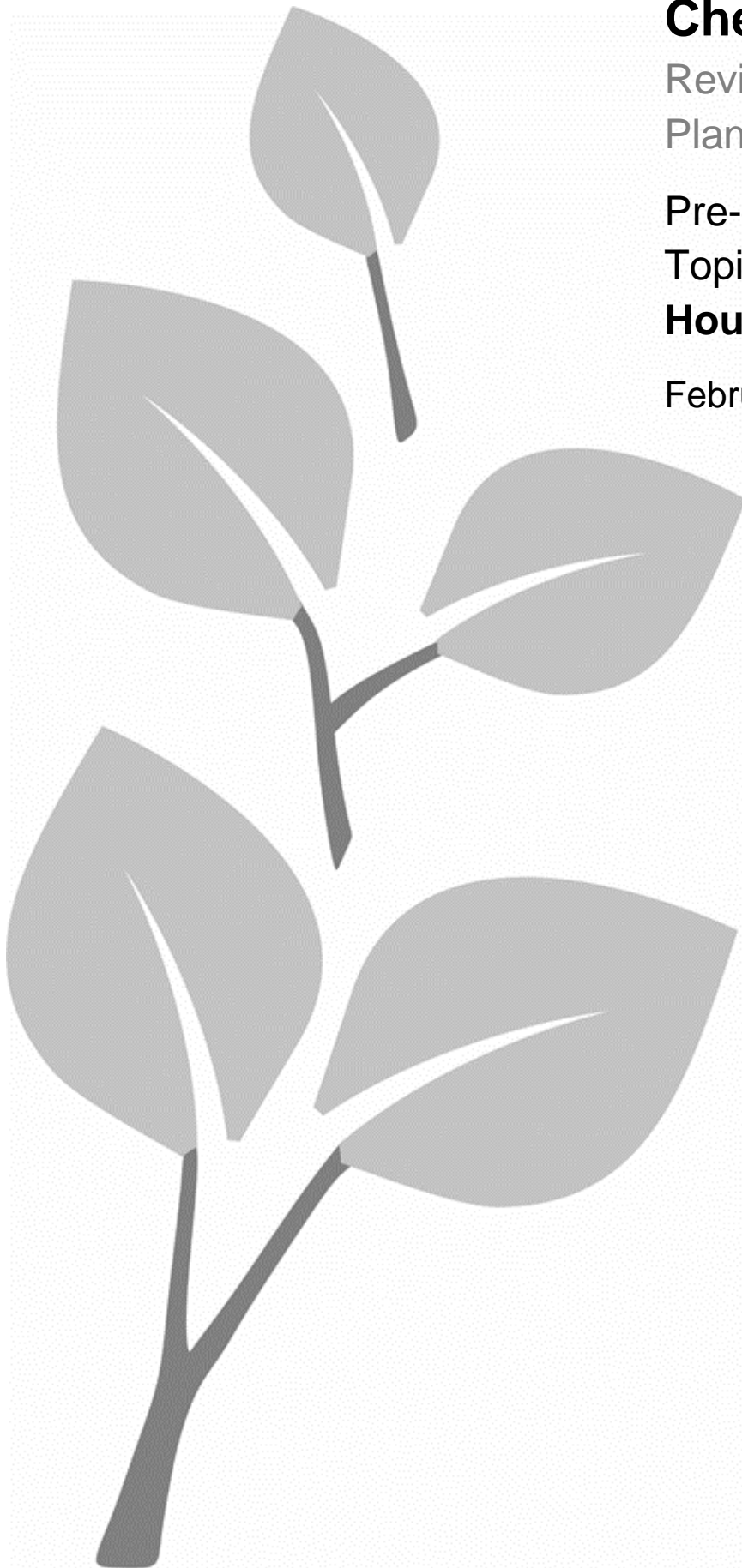


TP001



Chelmsford Local Plan

Review of the adopted Local Plan

Pre-Submission

Topic Paper:

Housing

February 2025

1. Purpose

- 1.1. This Topic Paper is one of a number produced by Chelmsford City Council to set out how the review of the Local Plan has been developed. Topic papers have been refreshed and updated at each stage of the Local Plan Review process to ensure the latest information/position is available. The Housing Issues and Options and Preferred Options Topic Papers are provided in Appendix 1. As such, this topic paper supersedes previous versions.
- 1.2. The intention of the topic papers is to provide background information; they do not contain any policies, proposals or site allocations. Topic papers form part of the Local Plan evidence base which will be submitted alongside the Local Plan for independent examination.
- 1.3. This paper covers how housing matters have been considered when preparing the review of the adopted Local Plan and how the review will seek to provide sustainable patterns of development through a Spatial Strategy that meets the need for new homes.
- 1.4. The Topic Paper provides background information and context of how the Pre-Submission (Regulation 19) Local Plan has been formulated. This Topic Paper should be read alongside other Pre-Submission Topic Papers, in particular:
 - Spatial Strategy and Strategic Sites – covers development needs and the Spatial Strategy
 - Infrastructure - covers infrastructure needs to support the Local Plan and how requirements and delivery of various pieces of infrastructure will be provided for in the Review of the Adopted Local Plan.
 - Employment – covers how employment matters and requirements have been considered when preparing the Review of the Adopted Local Plan.
 - Transport – covers how transport matters and transport impacts have been considered when preparing the Review of the Adopted Local Plan.
- 1.5. The main issues covered by this Topic Paper are:

**Strategic Priority 5 - Meeting the Need for New homes; and
Strategic Policy S6 – Housing and Employment requirements, including:**

- The minimum number of homes needed.
- The size, type and tenure of housing needed for different groups in the community.
- The achievability and effectiveness of existing housing policies in decision-making.

**Strategic Priority 4 – Ensuring sustainable patterns of development and protecting the Green Belt; and
Strategic Policy S7 – The Spatial Strategy, including:**

- Housing supply.
- The mix of sites in the development plan.
- Maintaining supply and delivery through the development plan period.

2. Background

- 2.1. The size of the local population and household formation rates affect the demand for housing. Need for new housing arises when population growth leads to new households forming.
- 2.2. The local labour market affects a household's ability to access housing and affordability pressures can prevent people accessing the housing they need.
- 2.3. There is a backlog of need among people currently living in unsuitable accommodation. When people are unable to access suitable housing it can result in overcrowding, more young people living with their parents for longer, impaired labour mobility and increased levels of homelessness.

Population

- 2.4. As of mid-2023, the population of Chelmsford is estimated to be 185,278 – an increase of around 14,797 people over the previous decade. This equates to a growth of 8.7% which is higher than the overall increase for England (7.0%) and a similar rate of growth to that across Essex (8.3%) and the East of England (8.3%).
- 2.5. The table below shows the population in 2021 in each of the sub-areas listed – this is based on the 2021 Census and so totals differ very slightly from the mid-year estimate referenced above. The information shows around three-fifths of the population as living in the Urban area with the next largest area being Rural, with 32% of the population.

Figure 1: Population by sub-area 2021

	Population	% of population
Urban	107,205	59.1%
Rural	58,269	32.1%
South Woodham Ferrers	16,021	8.8%
Total	181,495	100%

Source: Census (2021)

- 2.6. In Chelmsford, the largest age group in the mid-2023 population estimates were people aged 16 – 64. One notable feature is the latest data showing less ageing of the population in the 2013-2023 period than 2011-2021. Overall, the latest period shows the number of people aged 65+ increased by 16%. The data shows stronger growth in the number aged Under 16 and 16-64 when compared with the period 2011-2021.

Figure 2: Change in population by broad age group (2013 – 2023) Chelmsford

	2013	2023	Change	% change
Under 16	31,474	35,066	3,592	11.4%
16 - 64	107,972	114,248	6,276	5.8%
65+	31,035	35,964	4,929	15.9%
TOTAL	170,481	185,278	14,797	8.7%

Source: ONS Mid-year population estimates

Number of households

- 2.7. Demographic changes also shape the type and size of accommodation needed. The 2018-based household projections indicated that the number of households in Chelmsford has increased by 7.8% since 2013, reaching 75,961 households in 2022. This compares to an increase in the East of England of 7.3% and a national increase of 7.1%.
- 2.8. The number of households recorded in the 2021 Census was 75,400 – close to the 2018 based projection figure for 2022.
- 2.9. The 2018-based household projections indicated that the household population in Chelmsford has increased at approximately the same rate as the number of households between 2018 and 2023, resulting in the average household size (people) remaining very similar – 2.39 in 2018 and 2.38 in 2023. However, at the national level the household population has risen at a lower rate than the number of households, resulting in a falling average household size from 2.37 to 2.35 in the same period.
- 2.10. The most common household in 2018 was households with two or more adults (43.52%). This trend is set to continue into 2043, with two or more adult households forming 44.33% of households in Chelmsford.

Income

- 2.11. Income has a significant effect on the level of choice a household has when seeking accommodation. The median earned gross income for full-time employees' resident in Chelmsford (individual incomes rather than household incomes) in 2024 was £39,708 according to the ONS Annual Survey of Hours and Earnings. This was marginally higher than the East of England regional figure of £39,065 and above the national median figure of £37,617. Since 2013, the median income of full-time employees' resident in Chelmsford has increased by 31%. This increase is slightly below the increase in the East of England (38%) and across England (37%).

Housing Affordability

- 2.12. Figure 3 below shows the rise in median house prices in Chelmsford between 2012 – 2023. The rate of increase is far higher than the increase in the median income of full-time employees in Chelmsford across the same period, ranging between 67.9% for flats and 86.85% for terraced dwellings.

Figure 3: Median House Price Change year ending December 2012 to year ending March 2023 by dwellings type – Chelmsford

	Year ending (£) December 2012	Year ending (£) March 2023	Change (£)	% Change
Detached	342,500	618,500	276,000	80.6%
Semi-detached	236,750	427,000	190,250	80.4%
Terraced	192,000	358,750	166,750	86.9%
Flat	134,000	225,000	91,000	67.9%

Source: ONS Small Area House Price Statistics

- 2.13. The ratio of median housing price to median gross annual workplace-based earnings in 2023 in Chelmsford was 11.36, compared to 8.17 in 2013. In comparison, the affordability ratio in 2023 in the East of England was 9.76, whilst the ratio for England was 8.26.

Deprivation

- 2.14. Chelmsford is ranked one of the least deprived local authorities in England with one of the lowest average proportion of households in poverty within Essex. However, there are pockets of deprivation across Chelmsford, including the Waterhouse Farm ward which has fallen 3 deciles (8th to 5th) between the 2007 and 2019 Indices of Multiple Deprivation.

Housing Supply

- 2.15. Residential land supply is a key contributing factor in housing affordability. The Ministry of Housing, Communities and Local Government live tables indicate that there were 80,250 dwellings in Chelmsford in 2023.
- 2.16. Since 2013, there have been 9,718 net new dwellings built in Chelmsford. The average annual completion rate is 883 dwellings per annum, which is above the Housing Requirement in the adopted Local Plan (2020) of 805 per annum. Within this period, completions have exceeded 1,000 dwellings in four of the monitoring years. From the base date of the adopted Local Plan (2013/2014), the Council has an oversupply of 863 dwellings as at the 31 March 2024.
- 2.17. Using the Housing Requirement number of 805 dwellings per annum, the City Council can demonstrate a suitable supply of deliverable sites for housing for 8.02 years. The calculation of this figure includes a 5% buffer.
- 2.18. The Housing Delivery Test 2023 measurement, published in December 2024 by the Ministry of Housing, Communities and Local Government, shows that Chelmsford exceeded the Housing Delivery Test Threshold by 16%.

3. Pre-Submission

Policy Context

- 3.1. All policies in the Local Plan must be positively prepared, justified, effective and consistent with national policy. The National Planning Policy Framework (NPPF) sets out the overarching planning policy framework, supported by the National Planning Practice Guidance (PPG).
- 3.2. The adopted Local Plan was examined under the 2012 NPPF. There have subsequently been updates to the NPPF and the Review of the Local Plan Pre-Submission (Regulation 19) Local Plan has been considered against the requirements of more recent national planning policy and guidance, including the 2023 NPPF. Regard has also been had to the proposed housing numbers for the progression of Local Plans at an advanced stage of preparation using transitional arrangements set out in the NPPF published on 12 December 2024.
- 3.3. Further detail on these key changes for consideration are set out in the table below, included under the section 'Local Plan Approach'.

National Policy

- 3.4. All relevant national planning policy and guidance have been considered in the Pre-Submission (Regulation 19) Local Plan.

Housing Need

- 3.5. The Government published a revised draft NPPF for consultation in July 2024 to replace the December 2023 version. The proposed revision included changes to the use and formula of the standard method producing a local housing need figure for Chelmsford of 1,406 new homes per annum. The consultation document stated that local authorities at Regulation 19 stage within one month of adoption of the new NPPF and proposing a housing requirement within 200 per annum of the local housing needs figure in the proposed revised version, could be examined under the December 2023 NPPF.
- 3.6. The December 2024 NPPF amended the affordability multiplier again, producing a revised local housing need figure of 1,454 new homes per annum for Chelmsford. The December 2024 NPPF contains transitional arrangements for plan-making stating that the policies in the December 2024 version of the NPPF will apply other than in prescribed circumstances including where a plan has reached Regulation 19 on or before the 12 March 2025 and the draft housing requirement is at least 80% of the new standard method calculation of local housing need. In these circumstances, the plan will be examined under the December 2023 NPPF.
- 3.7. Changes in the local housing need figure since the standard method was first introduced are summarised for information in Figure 4 below:

Figure 4: Local Housing Need (Standard Method) per annum in Chelmsford 2018-2024

April 2018	April 2019	April 2020	April 2021	April 2022	April 2023	April 2024	July-Sept 2024	Dec 2024
980	973	946	918	946	955	913	1,406	1,454

National Policy Guidance

- 3.8. The NPPF is supported by a series of PPGs on a range of subjects. The most significant PPG documents relating to housing need and supply that have been updated since the publication of the Preferred Options Consultation document are:
- [Housing and economic needs assessment \(12 December 2024\)](#)
 - [Housing supply and delivery \(12 December 2024\)](#)
 - [Plan-making \(12 December 2024\)](#)
 - [Viability \(12 December 2024\)](#)
- 3.9. In addition, [Planning Policy for Traveller Sites](#), the Governments planning policy for traveller sites which should be read in conjunction with the NPPF, was also revised on 12 December 2024.
- 3.10. All relevant changes to the PPG are considered at this Regulation 19 Pre-Submission Stage, with key paragraph references included in the consultation text where relevant. However, consideration is also given to the fact that the Plan will be examined under the December 2023 NPPF.

Local Policy

Current policy

3.11. In addition to changes in national planning policy, the review of the adopted Local Plan has considered the achievability and effectiveness of housing policies in decision making in the adopted Local Plan (2020), as well as new corporate priorities and strategies of the Council. This includes:

- New and revised Planning Advice Notes published since the publication of the Issues and Options and Preferred Options Consultation documents – Community Led Housing Planning Advice Note, Travelling Showperson Sites Planning Advice Note, Self and Custom Build Planning Advice Note and Wheelchair Accessible Homes Planning Advice Note – some of which have been incorporated/updated within a draft consultation Planning Obligations SPD published for consultation alongside the Pre-Submission (Regulation 19) Local Plan.
- Policy implementation issues flagged through the latest published Authority Monitoring Report, in particular relating to Local Plan Policies DM1 and DM2.

Duty to Co-operate

3.12. The Council is committed to co-operating with other bodies on strategic planning matters. The Duty to Co-operate Strategy was reviewed and adopted in January 2022.

3.13. The Council has made every effort to seek co-operation on cross-boundary and strategic planning matters in a focused, positive and structured way. These discussions have helped to formulate the Pre-Submission (Regulation 19) Plan, and we will continue to engage positively with the prescribed bodies as the Plan progresses and, on its implementation, once adopted.

3.14. We will also continue to work constructively with nearby planning authorities on their own local plan preparation. Early engagement and demonstrating co-operation both with neighbours and the prescribed bodies through Statements of Common Ground are key to meeting the legal duty to co-operate.

3.15. The strategic matters for the Review of the Adopted Local Plan are identified as follows:

- Delivering homes for all including Gypsy and Traveller accommodation
- Jobs and economy including green employment and regeneration
- Retail, leisure, and cultural development
- Sustainable transport, highways and active travel
- Climate change action and mitigation including flood risk and zero carbon
- Natural and historic environment including increased biodiversity and green/blue/wild spaces and connectivity of ecological networks
- Community infrastructure including education, health and community facilities
- Utility infrastructure including communications, waste, water and energy
- London Stansted Airport future airspace redesign.

3.16. In some cases, discussion on strategic matters will continue through existing joint working arrangements. We will also arrange further joint Officer and Member meetings, technical stakeholder meetings and keep Statements of Common Ground up to date as the plan progresses. Details of ongoing activity is contained in the Pre-Submission Duty to Co-operate Position Statement, available at www.chelmsford.gov.uk/lp-review.

- 3.17. Comments to the Preferred Options consultation were received from 17 Duty to Co-operate bodies and specific consultees including neighbouring LPAs, Essex County Council (ECC), Historic England, Environment Agency, Highways England, and the Mid and South Essex Integrated Care Board.
- 3.18. Comments were mainly supportive of the key Plan elements including the Vision, Strategic Priorities, Spatial Principles, Spatial Strategy, and Development Management policies. Detailed comments have influenced amendments to the Pre-Submission (Regulation 19) Local Plan including in relation to accessible greenspace and natural habitats, addressing recreational pressure on Sites of Special Scientific Interest, water efficiency targets, and changes for consistency and clarity.
- 3.19. It is important that the Council has regard to the Housing Market Area when consulting on any strategic matters that apply to the review of the adopted Local Plan, including any needs that cannot be met within neighbouring areas when establishing the amount of housing to be planned for.
- 3.20. To date, none of the local authorities that are considered to share a Housing Market Area with Chelmsford (Braintree District Council, Colchester Borough Council, Maldon District Council and Tendring District Council) have indicated that they are unable to meet their housing need.
- 3.21. Basildon District Council, Castle Point Borough Council and Southend-on-Sea City Council have all made formal requests for assistance in meeting unmet housing needs under the Duty to Co-operate. All authorities have referenced Green Belt restrictions as constraints in meeting their housing needs.
- 3.22. Figure 4 above shows Chelmsford's local housing need has increased by 59% from April 2024 – December 2024 using the standard method, resulting in Chelmsford having the highest annual need in Essex. The Council is progressing the Local Plan through the December 2024 NPPF transitional arrangements, requiring incorporation of most of the housing supply buffer identified at the Preferred Option stage into its local housing need number (housing requirement). Significantly amending the Council's Local Plan and Spatial Strategy would delay publication of the Local Plan resulting in the inability to use the NPPF transitional arrangements, with revisions requiring earlier stages of consultation to be repeated.
- 3.23. The Local Plan's evidence base, including the Integrated Impact Assessment (IIA), demonstrates that there is no capacity to meet unmet housing need from other local authority areas at this late stage of the plan preparation.
- 3.24. Neighbouring local authorities are at different stages of plan preparation and review. The evidence bases to support the review of the adopted Local Plan includes a revised Strategic Housing Needs Assessment (SHNA) for Chelmsford. This assesses the size, type and tenure of housing needed for different groups in the community for the administrative area of Chelmsford only.
- 3.25. A revised Gypsy and Traveller Accommodation Assessment for Essex has been undertaken to ensure that local planning authorities across Essex together with Southend-on-Sea and Thurrock councils work collaboratively to develop fair and effective strategies to meet the identified need for permanent and transit sites. Local Plans will then identify land for sites where appropriate.

- 3.26. Basildon District Council also wish to explore alternative options for meeting their identified need for 235 Gypsy and Traveller pitches and at least 13 Travelling Showpeople plots. Despite undertaking a specific Gypsy and Traveller 'call for sites', Chelmsford City Council has not been able to identify suitable and deliverable site allocations to meet the whole of the identified need for Chelmsford. The Regulation 19 Local Plan includes a criteria-based policy addressing the small shortfall within the Chelmsford City Council boundary. Therefore, there is no capacity to accommodate any unmet Gypsy and Traveller need from Basildon District Council.
- 3.27. The Essex Planning Officers' Association (EPOA) has agreed mechanisms for dealing with unmet housing and Gypsy and Traveller need, which provide a robust process and should be the starting point for such requests.

Integrated Impact Assessment

- 3.28. The Council is carrying out an ongoing Integrated Impact Assessment (IIA) as the Review of the Local Plan develops.
- 3.29. The IIA assesses the following aspects of sustainable development:
- Sustainability Appraisal (SA)
 - Strategic Environmental Assessment (SEA)
 - Habitats Regulations Assessment (HRA)
 - Health Impact Assessment (HIA)
 - Equality Impact Assessment (EqIA)
- 3.30. The SA, SEA and HRA are a requirement of national policy. The HIA and EqIA are voluntary, but the Council believes they will help to provide a complete picture of the sustainability of the Pre-Submission (Regulation 19) Local Plan.

SA/SEA

- 3.31. The IIA identifies the key sustainability issues for the Review of the Local Plan, which feed into a framework against which proposals are assessed. It covers the potential environmental, social, economic and health performance of the Local Plan and any reasonable alternatives. It has been used at each stage of the Review, and been subject to separate consultation, as follows:
- Scoping Report
 - Issues and Options
 - Preferred Options
 - Pre-Submission – Current Stage
 - Adoption.
- 3.32. The key sustainability issues and Appraisal Framework Objectives relating to this Topic Paper are:

Figure 5: Extract from Appraisal Framework Objectives.

Key sustainability issue	Appraisal Framework Objective
Population and community	2. Housing: To meet the housing needs of the Chelmsford City Area and deliver decent homes. 3. Economy, Skills and Employment: To achieve a strong and stable economy which offers rewarding and well located employment opportunities to everyone. 4. Sustainable Living and Revitalisation: To promote urban renaissance and support the vitality of rural centres, tackle deprivation and promote sustainable living.
Health and wellbeing	5. Health and Wellbeing: To improve the health and well-being of those living and working in the Chelmsford City area.

- 3.33. The IIA report identifies the likely significant positive sustainability effects associated with the housing supply for 2022-2041 is that it seeks to exceed the assessed housing requirement over the plan period. The likely significant negative sustainability effect associated with the housing requirement is the significant area of greenfield land that will be required.
- 3.34. The report also identifies positive and adverse environmental impacts associated with the potential housing growth across a range of assessment objectives including sustainable living and revitalisation, health and well-being and transport.
- 3.35. Minor negative and uncertain effects have been identified against biodiversity, water, flood risk, air quality, climate change and waste and natural resources reflecting the demand placed on the use of natural resources by housing growth, notwithstanding advances in building technologies and the mitigation of negative effects through building and site design. The report notes that uncertainty exists in the extent and speed of these sustainable interventions.
- 3.36. The IIA report acknowledges that the residential requirements and the more limited number of brownfield sites that have not already been earmarked for future development in the administrative area will mean that greenfield land is required for development.
- 3.37. The IIA considers alternatives for the level of housing growth:
- 3.37.1. Lower growth (approx. 955 dwellings per annum or 18,145 total dwellings) based on the SHNA published in 2023 and previous standard method.
 - 3.37.2. Transitional growth (approx. 1,210 dwellings per annum or 22,990 total dwellings) based on the housing need identified through the revised standard method and transitional arrangements.

3.37.3. Higher growth (approx. 1,406 dwellings per annum or 26,714 total dwellings) based on the housing need identified through the revised standard method published for consultation in July 2024.

- 3.38. The IIA acknowledges that the lower growth alternative is not in line with the revised NPPF, and it could be argued this is not a reasonable alternative but included this scenario as a number of representations were received from the public on the Preferred Strategy questioning the level of growth proposed in the plan.
- 3.39. In trying to establish reasonable alternatives for the Plan, the IIA explores the land available for development during the plan period. Further details on this are set out in the Spatial Strategy and Strategic Sites Topic Paper. For the transitional and higher growth levels, additional options over and above the existing Local Plan allocations are required to meet residual residential needs. Alternative site options which are situated within the Green Belt and Green Wedge were not included in any of the alternative spatial options to help meet any residual housing needs because there are sufficient and suitable site options outside of these designations.
- 3.40. The analysis of the reasonable alternatives in the IIA demonstrates that overall, the alternatives perform no better, and in many instances worse, than the Proposed Spatial Strategy. The lower growth option performs poorly in meeting housing need and is also likely to have a negative effect on employment, reflecting restrictions on employment growth and the generation of out-commuting as residents seek employment opportunities elsewhere. The higher growth option performs more poorly overall reflecting greater resource use with greater uncertainty overall such as potential oversupply of housing in the plan period disrupting co-ordinated delivery against identified need.
- 3.41. The IIA recommends monitoring the balance between housing and jobs provision to maintain a balance between in- and out-commuting to the City area, and consequently the aspiration for long-term sustainability in terms of a reasonable degree of self-containment. The current figures are to allocate land to provide a balance of jobs and homes. Monitoring of this will take place through the housing and employment monitoring mechanisms in the Monitoring Framework of the Plan.
- 3.42. Policies DM1-DM3 were assessed as having a significant positive impact on housing. The IIA determines that the implementation of Policies DM1 and DM2 will help ensure that there is a good balance and mix of housing provided through new housing development. These Policies were also assessed to have cumulative significant positive effects in respect of urban renaissance as the policies are considered likely to tackle inequalities and foster social inclusion by helping to meet housing needs of all communities, including the growing elderly population and the Gypsy, Traveller and Travelling Showpeople communities.
- 3.43. Policies DM1-DM3 were also assessed to have a cumulative minor positive effect on employment, health and wellbeing, transport, flood risk, air quality and climate change. No significant or minor negative effects were identified in respect of Policies DM1-DM3.

EqIA

- 3.44. The EqIA results suggest that policies will help to secure development that will contribute to a range of positive effects across the topics considered in the EqIA (notably in relation to housing, service, employment and greenspace provision) and no recommendations for changes or additions to policy are identified at this stage.

3.45. The provision of a wide range of housing types and affordable options will help to ensure greater equality of access, meeting the needs of specific groups, notably the elderly, disabled and young.

HIA

3.46. The HIA results suggest that policies will help to secure development that will contribute to a range of positive effects across the topics considered in the HIA and no recommendations for changes or additions to policy are identified at this stage.

HRA

3.47. Overall, the HRA has concluded that most aspects of the plan will have no significant effects on any European sites, alone or in combination due to the absence of effect pathways.

3.48. Appropriate assessments have been undertaken for those aspects where effect pathways are present (in combination water quality, air quality and visitor pressure effects, and effects on species away from the sites), taking into account specific and cross-cutting policy-based mitigation and avoidance measures that have been incorporated into the Plan. These appropriate assessments have employed additional analyses and data to resolve uncertainties present at the initial screening and have concluded that (as currently drafted) the Pre-Submission (Regulation 19) Local Plan will have no adverse effects on the integrity of any European sites, alone or in combination.

Evidence base

3.49. In accordance with the requirements of the NPPF, policies and their requirements should be based on up-to-date evidence.

3.50. In addition to the IIA, the following documents are of relevance to housing and support the review of the Adopted Local Plan. Evidence base documents are available online via www.chelmsford.gov.uk/lp-review.

Figure 6: Housing related evidence base documents

Document	Summary
AH001: Chelmsford Strategic Housing Needs Assessment	This report focusses on overall housing need, including consideration of the Standard Method, as well as looking at affordable housing and the needs of specific groups.
AH003 Chelmsford Gypsy and Traveller Accommodation Assessment (GTAA) 2024	An assessment of the accommodation needs of Gypsy's and Travellers for the plan period 2023 – 2041 – see further details below.
AH004 Chelmsford Strategic Housing Needs Assessment Addendum (November 2024)	A partial update to the 2023 Strategic Housing Needs Assessment to review the implications of moving from housing delivery at the standard method output of 955 dwelling per annum to a figure of 1,206 dwellings per annum - see further details below.

Document	Summary
<p>IIA001 Integrated Impact Assessment Scoping Report 2022</p> <p>IIA002: Integrated Impact Assessment Issues and Options 2022</p> <p>IIA005: Integrated Impact Assessment Preferred Options (May 2024)</p>	<p>The Integrated Impact Assessment (IIA) brings together a Sustainability Appraisal (SA), a Strategic Environmental Assessment (SEA), a Health Impact Assessment (HIA), an Equalities Impact Assessment (EqIA) and a Habitats Regulations Assessment (HRA) to assess the socio-economic and environmental effects of the Local Plan. The first stage of the IIA process involved consultation on a Scoping Report. The Scoping Report set out the proposed approach to the assessment of the Review of the Adopted Local Plan. The Issues and Options stage and the Preferred Options stage of the Local Plan were both subject to public consultation and accompanied by IIA Reports. The findings of the IIA Reports, together with consultation responses and other evidence base work, were used to help refine the Pre-Submission (Regulation 19) Local Plan.</p>
<p>IIA004: Integrated Impact Assessment Feedback Report Issues and Options 2023</p>	<p>This report provides a record of the responses received to the IIA Report including the approach to the HRA. The responses were taken into account by the Council in preparing the next stage (Preferred Options) of the Local Plan Review and undertaking the associated IIA.</p>
<p>IIA006: Integrated Impact Assessment Preferred Options Feedback Report 2024</p>	<p>This report provides a record of the responses received to the IIA Report and associated HRA. The responses were taken into account by the Council in preparing the next stage (Pre-Submission) of the Local Plan Review and undertaking the IIA and associated HRA.</p>
<p>INF001: Infrastructure Delivery Plan Stage 1 Report (February 2024)</p>	<p>A high-level assessment of the Issues and Options Spatial Approaches and overview of the infrastructure issues and opportunities associated with these spatial approaches, including any significant infrastructure constraints that should be taken into account.</p>
<p>INF005: Chelmsford City Council IDP Stage 2 Report (November 2024)</p>	<p>This Report updates the findings from the Stage 1 baseline and provides further analysis associated with the preferred Spatial Strategy including infrastructure delivery schedules of planned projects across the administrative area of Chelmsford City Council.</p>
<p>OSP003: Preferred Options Local Plan Form and Contents Checklist 2024</p>	<p>Compares the Preferred Options Local Plan against key requirements of the December 2023 NPPF.</p>

Document	Summary
OSP005: Pre-Submission Local Plan Form and Contents Checklist 2025	Compares the Pre-Submission (Regulation 19) Local Plan against key requirement of the December 2023 NPPF.
V001: Chelmsford Local Plan Viability Update	This viability work assesses the cumulative impact of policies on planned development. The assessment models various levels of policy requirements on several different typologies of development.
V002 Chelmsford Local Plan Viability Update Note (November 2024)	Updates the main inputs into the assessment contained in V001 referenced above and refines some of the assumptions in the 2023 Update to reflect national policy, tweaks to local policy and the Pre-Submission document. The note considers how these changes may impact on viability and whether it is necessary for the Council to fully update the viability evidence supporting the review of the Local Plan – see further details below.
SHELAA Autumn 2024	The Strategic Housing and Employment Land Availability Assessment includes several different documents that explain the methodology and assessment criteria used, as well of the assessment outputs of each site.
Issues and Options Consultation Document You Said We Did Feedback Report, May 2024	This report sets out the consultation feedback received on the Issues and Options document and how the comments have been taken into consideration alongside the plan evidence base when preparing the Preferred Options Local Plan.
Preferred Options Consultation Document You Said We Did Feedback Report, February 2025	This report sets out a summary of the preferred options consultation and representations received. It also summarises how the Pre-Submission (Regulation 19) Local Plan has been informed by the representations received and recent evidence base studies.
Authority Monitoring Report (April 2023 – March 2024)	A report monitoring the production of the Council's Local Plan Documents against the Local Development Scheme and the performance and effectiveness of the Council's planning policies in delivering the key objectives of the Local Plan.
Five Year Housing Land Supply Methodology April 2024	A practice note setting out how the Council calculates its five-year housing land Supply relating to the adopted Plan.

Document	Summary
Five Year Site Schedule April 2024	The list of sites included in the plan period including windfall sites with planning permission, sites allocated in the Plan and sites proposed to be allocated in the Pre-Submission (Regulation 19) Local Plan as of April 2024.
Five Year Land Supply Position Statement April 2024	The calculation of the housing five-year land supply using the latest housing site schedule supporting the adopted Plan.
Housing Trajectory April 2024	Annual development completions and forecast completions by growth area and tenures for the plan period relating to the adopted Plan.
Windfall Assessment April 2024	A practice note setting out how the Council calculates a housing windfall allowance to be included in its Housing Trajectory and Five Year Housing Land Supply as of April 2024.

Chelmsford Gypsy and Traveller Accommodation Assessment (GTAA) 2024

- 3.51. The [GTAA](#) provides an assessment of current and future need for Gypsy, Traveller and Travelling Showpeople accommodation in the Chelmsford City Council area for the period 2023 to 2041. Local authorities in Essex commissioned consultants ORS to complete individual assessments of need for permanent sites and a detailed Greater Essex Transit Study to determine the need for any transit provision across Essex. The Greater Essex Transit Study is ongoing at the time of drafting this, Topic Paper.
- 3.52. The fieldwork for the GTAA was conducted between February 2023 and June 2023 and the baseline for the study is October 2023 although the findings of the report reflect the update to the definition of Gypsies and Travellers set out in Government's PPTS published in December 2023, which saw the reintroduction of those who have ceased to travel permanently for specified reasons within Annex 1.

Gypsy and Travellers

- 3.53. Overall, the pitch need for Gypsies and Travellers for the period 2023-2041 is set out below in Figure 7. Needs are set out for those households that met the 2023 PPTS planning definition of a Gypsy or Traveller¹; for any undetermined households where an interview was not able to be completed due to households not being present despite up to three visits to each site; and for those households that did not meet the 2023 PPTS planning definition.

¹ The [PPTS](#) planning definition was updated in December 2023 following the judgement in the Court of Appeal in the case of Smith V SSLUHC & Ors, to reintroduce those who have ceased to travel permanently.

Figure 7: Pitch Need for Gypsies and Travellers 2023-2041

Status	2023 - 41
Meet Planning Definition	26
Undetermined	27
Do not meet Planning Definition	18
TOTAL	71

- 3.54. The GTAA recommends that the local proportion of those who met the planning definition (53% in Chelmsford) should be applied to the undetermined need when calculating the total number of households that are considered to meet the planning definition in the report conclusions (see Figure 8 below).
- 3.55. In general terms, it is a requirement of the NPPF (2023) that those households with a need for additional pitches that do not meet the 2023 PPTS planning definition have their need addressed through separate Local Plan Policies e.g. Policy DM1 C) ii).
- 3.56. Taking into consideration all of the elements of need that have been assessed, together with the assumptions on the proportion of undetermined households that are likely to meet the planning definition, the table below sets out the number of pitches that will need to be addressed through site expansions or new allocations (Meet the Planning Definition) and through other Local Plan Housing Policies (Do Not Meet Planning Definition).

Figure 8 – Need for Gypsy and Traveller households broken down by Local Plan Policy Type – Local 53%.

Delivery Status	Gypsy and Traveller Policy				Housing Policy				TOTAL
	23-27	28-32	33-37	38-41	23-27	28-32	33-37	38-41	
Meet Planning Definition	24	5	6	5	0	0	0	0	40
Do Not Meet Planning Definition	0	0	0	0	16	5	6	4	31
TOTAL	24	5	6	5	16	5	6	4	71

Travelling Showpeople

- 3.57. Overall, the plot needs for Travelling Showpeople from 2023 to 2041 are set out below. All the need is from households that met the planning definition.
- 3.58. Analysis of the household interviews indicated that there is a need from 8 unauthorised plots; for 13 plots from concealed/doubled-up/over-crowded households or single adults; 5 plots from a 5-year need from teenage children; and for 12 from new household formation derived from the household demographics.

Figure 9 – Need for Travelling Showpeople households broken down by Local Plan Policy Type

Delivery Status	Gypsy and Traveller Policy				Housing Policy				TOTAL
	23-27	28-32	33-37	38-41	23-27	28-32	33-37	38-41	23-41
Meet Planning Definition	26	7	3	2	0	0	0	0	38
Do Not Meet Planning Definition	0	0	0	0	0	0	0	0	0
TOTAL	26	7	3	2	0	0	0	0	38

Chelmsford Strategic Housing Needs Assessment (SHNA) Addendum 2024

- 3.59. [The SHNA Addendum](#) was prepared as a partial update to [AH001: Chelmsford Strategic Housing Needs Assessment](#) to review the implications of moving from housing delivery at the Standard Method output of 955 dwellings per annum tested in the 2023 assessment, up to a figure of 1,206 dwellings per annum – within 200 dwellings of the proposed revised Standard Method calculation in the NPPF consultation held during July – September 2024.
- 3.60. The Addendum considers the impact of the higher housing number on net in-migration (increases) and the resulting stronger population growth on a range of housing needs – including the need for affordable housing, the mix of housing and housing for older and disabled people. Whilst updating the analysis for a new housing number, the opportunity was also taken to update other aspects of the SHNA where new data exists. This includes looking at more up-to-date demographic data (population change) but also to recalculate the affordable housing need considering changes to prices/rents, incomes and the supply of affordable housing.
- 3.61. When compared with the similar assessment carried out as part of the 2023 SHNA, the 2024 addendum report suggests a greater need for rented forms of affordable housing and a lower need for affordable home ownership.
- 3.62. The analysis in the SHNA Addendum suggests there will be a particular need for social rented housing and states that this could be prioritised where delivery does not prejudice the overall delivery of affordable homes. The Addendum also concludes that there is no evidence of need for First Homes or discounted market housing.
- 3.63. The Addendum provides an updated assessment of the mix of housing required linking to the updated demographic projection. It does not really show any notable differences from the analysis in the 2023 SHNA.
- 3.64. The updated analysis of the needs of older and disabled persons tend to show similar findings to the 2023 SHNA – this is mainly due to the ageing of the population being projected to be broadly the same in both analyses. The Addendum does however show a greater projected growth in the number of people aged 'Under 65' and so higher increases in disabilities can be expected from these age groups. In addition, when looking at specialist older persons housing, the analysis suggests lower needs than in the 2023 SHNA. This conclusion is drawn as the administrative area of the Council has a significant level of recent and planned developments which were not included in the 2023 SHNA analysis.

Chelmsford Local Plan Viability Update Note 2024

- 3.65. The [Local Plan Viability Note \(2024\)](#) updates the main inputs into a viability assessment – costs and values – from the March 2023 base date of the last main Local Plan Viability Update published in 2023 ([V001: Chelmsford Local Plan Viability Update](#)). The Note also refines some of the assumptions in the 2023 Viability Update to reflect changes to national policy, and tweaks to local policy, in the Pre-Submission (Regulation 19) Local Plan. The note considers how these changes may impact on viability and whether it is necessary for the Council to fully update the viability evidence before proceeding.
- 3.66. The analysis in the Note repeats the appraisals run in the 2023 Viability Update but with the following changes:
- The values are increased by 5% and construction costs re-based to the latest BCIS costs.
 - Biodiversity Net Gain is assumed at 10%, other than on the two garden communities (Hammonds Farm and Chelmsford Garden Community) where 20% is sought.
 - Allowance for a commuted sum for tree planning of £300 per dwelling is made on the brownfield sites.
 - The Net Zero cost assumption has been updated to ‘plus 8%’ to the costs of construction of houses and ‘plus 6%’ to the cost of construction of flats – as per the latest price and cost information.
 - The cost of tightened water usage requirements has been adjusted to £2,000 per unit to achieve 90 Litres per person per day.
 - The indexed rates of the Community Infrastructure Levy are updated to reflect January 2024 rates.
 - The modelling of the strategic sites has been updated to reflect changes to the number of dwellings, net developable areas and estimate costs to the developer in the latest Infrastructure Delivery Report ([INF005: Chelmsford City Council IDP Stage 2 Report \(November 2024\)](#))
 - Additional allowance is made for RAMS (£163.86 per unit).
 - No change is made to the reduction in the requirements for M4(2) Accessible and Adaptable standards from 100% to 50% of new homes, as it is anticipated that Building Regulations will mandate M4(2) Accessible and Adaptable in the medium term.
 - On schemes of more than 100 dwellings an additional allowance is made of £457.50 per unit in lieu of on-site provision of specialist older people’s housing. It assumed that the strategic sites (except for The Meadows, Chelmsford) make the relevant provision on-site. This rate is set out in the Specialist Residential Accommodation Planning Advice Note.
 - The modelling is updated to reflect the updated Open Space Standards to be referenced in the Pre-Submission (Regulation 19) Local Plan document.
- 3.67. The results are broadly like those presented in the 2023 Viability Update. Having made the adjustments set out, and updated the full policy-on appraisals, the note concludes that the Council can continue to rely on the 2023 Viability Update.

Previous Consultation Feedback

3.68. The Pre-Submission (Regulation 19) Local Plan has been prepared following two public consultations - the Issues and Options consultation in 2022 and the Preferred Options consultation in 2024. The Issues and Options 'You Said We Did' Feedback Report and the Preferred Options 'You Said We Did' Feedback Report set out the main issues raised in the representations received and a summary of how the subsequent plan has been informed by the comments and the Plan evidence base. Main issues raised in the consultation responses to the Issues and Options Local Plan and the Preferred Options Local Plan Consultation Documents include:

- Support for the use of the Standard Method but representations both supporting and disputing the amount, need and justification for any additional housing above this output
- Representations to increase the Housing Requirement to meet specific housing needs
- Support for the housing supply buffer as well as representations querying the justification for a supply buffer in addition to a Housing Requirement buffer.
- Representations stating that exception site developments aren't a good idea but others suggesting they should be applied in more rural areas
- Support for 10% of the housing requirement being on small sites
- Support for a higher affordable housing requirement if viable
- Support for specialist residential accommodation allocations for older people and other specific housing needs where evidenced
- Representations for greater flexibility in the housing market mix.
- Concerns over lack of evidence for and delivery of the Gypsy and Travellers and Travelling Showpeople requirements
- Some developers are calling for higher housing requirement to meet all residents needs
- Opposition from the development industry to some new policies and/or requirements including housing policies DM1 and DM2
- Need to allocate more sites that could deliver more quickly
- Give more support and priority to build to rent
- Self-build homes should be encouraged rather than required by evidence of local need and their impact considered on development viability
- Specialist Residential Accommodation requirement is too generic and low and there is a need to specifically allocate homes for older persons
- Some developers disagreeing with the requirement for 100% of new dwellings to be accessible and adaptable based on cost, not justified and not required nationally
- Calls to allow viability assessments at applications stage.

3.69. Please see the 'You Said We Did' Feedback Reports for more details, available via www.chelmsford.gov.uk/lp-review.

Local Plan Approach

Housing Need

Housing Requirement

- 3.70. The Pre-Submission (Regulation 19) Local Plan proposes a housing requirement of 1,210 new homes per annum (22,990 across the plan period) which equates to 83% of the December 2024 NPPF local housing need figure of 1,454 calculated using the latest standard method, enabling the Council to be examined under the December 2023 NPPF.
- 3.71. A lower growth rate of 955 new homes per annum (18,145 across the plan period) was dismissed as it would not be in line with the NPPF. In addition, a lower growth option performs poorly in meeting housing need and is also likely to have a negative effect on employment, reflecting restrictions on employment growth and the generation of out-commuting, as residents seek employment opportunities elsewhere.
- 3.72. A higher growth option of 1,406 new homes per annum (26,714 across the plan period) was also assessed in the IIA but it performed more poorly overall reflecting greater resource use with greater uncertainty overall such as potential oversupply of housing in the plan period, disrupting co-ordinated delivery against identified need.
- 3.73. The adopted Local Plan has a Housing Requirement figure of 805 net new homes per annum and from the base date of the adopted Local Plan (2013/2014), the Council has an oversupply of 863 dwellings as at the 31 March 2024. For four years since 2013, housing delivery has exceeded 1,000 new net homes per annum. The Housing Delivery Test 2023 measurement shows that Chelmsford exceeded the Test threshold by 16%. The Council can therefore demonstrate that its Plan-lead approach has a record of delivering new housing above the Housing Requirement set out in the adopted Plan.
- 3.74. The Employment Land Review Focused Update (December 2024) sets out that the Council can still meet labour demand, with flexible site allocations. The IIA recommends monitoring the balance between housing and jobs provision to maintain a balance between in- and out-commuting to the City area, and consequently the aspiration for long-term sustainability in terms of a reasonable degree of self-containment. Further details on this are set out in the Employment Topic Paper.
- 3.75. The Council is at an advanced stage of reviewing its adopted Local Plan and to meet the local housing need using the Standard Method in full (1,454 net new homes per annum or an additional 4,636 homes across the plan period following the December 2024 NPPF) would require significant delays and extra costs to the Council and would not be supported by the current evidence base.
- 3.76. The Council has reviewed the implications of moving to a Housing Requirement figure of 1,210 through updates to its SHNA, Employment Land Review Focused Update (December 2024) and IIA. The decision to use the transitional arrangements offered in paragraph 234a of the December 2024 NPPF and proceed with a Housing Requirement figure that is 83% of the local housing need, is a practical one recognising that the plan is transitional but offers the best chance of making quick progress to meet a high proportion of the latest need figure without disrupting planned supply and maintaining a plan-led approach.

Affordable Housing

- 3.77. The [SHNA Addendum](#) (2024) updates the mix of housing required and concludes that a Housing Requirement of 1,206 net new homes per annum does not really show any notable differences from the analysis in the [2023 SHNA](#), although there is a notable increase in the need for affordable housing for rent from 623 to 966 dwellings per annum.
- 3.78. The Pre-Submission (Regulation 19) Local Plan responds to this and the demonstrably lower need for affordable home ownership (with no identified need for First Homes) by amendments to Policy DM2 and the associated Reasoned Justification text that clarify First Homes will not be required on threshold sites but rather 10.5% (compared to 13% in the adopted Local Plan) of housing overall should be provided as Shared Ownership housing.
- 3.79. Policy DM2 also clarifies that given the notable increase in need for affordable housing for rent, that where Build to Rent housing is proposed, the Council will seek 24.5% of the total Build to Rent units to be provided as affordable private rent homes capped at Local Allowance Level to address priority housing needs. The Council, as the Local Housing Authority, is reliant on the private rented sector to discharge its homelessness duties and given the level of identified need for affordable housing for rent, considers it justified to seek to secure access to affordable private rent dwellings to address its priority housing needs.
- 3.80. In response to representations from Developers, the Council has set out the circumstances in which a viability assessment will be considered at planning application stage and how/when review mechanisms will be applied through planning obligation agreements for schemes that do not meet in full the requirements of Policy DM2 to ensure affordable housing contributions are improved if viability improves over time.

Accessible and Adaptable

- 3.81. Developers also made representations to the Preferred Options Local Plan consultation on the proposal for 100% of new dwellings be accessible and adaptable in Policy DM1 A) ii), stating that this is not justified nor required nationally. They also specified that if mandated through Building Regulations, then this need not be set out in the Local Plan. On this basis, the Council proposes to revert to a 50% requirement in the Pre-Submission (Regulation 19) Local Plan and as set out in the adopted Local Plan. However, the Local Plan Viability Assessment Update includes an allowance for 100% of new dwellings be accessible and adaptable in anticipation that Building Regulations will mandate this in the medium term, to ensure that an increase from 50% to 100% cannot be cited as a viability consideration at development management stage in future.

Older Persons

- 3.82. Policy DM1 D) i) of the Pre-Submission (Regulation 19) Local Plan includes a new requirement for greenfield developments of more than 500 dwellings to provide 10% of market housing to be provided for older people in response to representations from developers to allocate homes to meet older persons housing needs.
- 3.83. The [2023 SHNA](#) (Figure 6.11) estimated a need for 1,519 additional dwellings with support or care for older people by 2041 and an additional need for 886 nursing and residential care bedspaces. The Assessment notes that typically it is conventional to convert bedspaces to dwellings using a standard multiplier (1.80 bedspaces per dwellings for older persons accommodation) and this would equate to around 492 dwellings. In total, the older persons analysis in the 2023 SHNA points to a need for around 2,011 units over the 2022-2041 period or 106 units per annum.

- 3.84. The [SHNA Addendum](#) (2024) analysis reviews these calculations using the same methodology but with new population projections and updated supply information and estimates a slightly lower total unit need of 1,381 units over the 2022-2041 period or 73 units per annum.
- 3.85. Based on a Housing Requirement figure of 1,210 dwellings per annum, the need for older persons specialist residential accommodation estimated in the two SHNA assessments range between 6% - 9%.
- 3.86. Policy DM1 Part D) i) is only applicable on developments of more than 500 dwellings to ensure that a critical mass of Specialist Residential Housing can be achieved. Whilst this reduces the supply across the plan period, as the proportion of market dwellings above this threshold that form part of the annual housing requirement of 1,210 is much lower, it is acknowledged in national planning practice guidance – [Housing Needs of different groups](#) (001 Reference ID: 67-001-20190722) – that the needs of particular groups of people may well exceed or be proportionally high in relation to the overall housing need figure as the former are often calculated having consideration to the whole population of an area as a baseline.
- 3.87. Mixed tenures sites that include both a mixture of ownership and rental tenures as well as housing designed for specific groups such as older people's housing, are promoted in the NPPF.

Gypsies and Travellers

- 3.88. Strategic Policies S6 and S7 propose a total of 30 new allocated permanent pitches on strategic sites for Gypsies and Travellers as defined by the PPTS published in December 2023. Strategic Policy S6 A) sets out that the remainder of the need (10 pitches) identified in the GTAA to meet the national planning policy definition set out in Annex 1 (December 2023 PPTS), will be met through windfall applications using the criteria of Policy DM3 and the regularisation of existing pitches.
- 3.89. The Gypsy and Traveller Pitches Trajectory 2022-2041 in the Pre-Submission (Regulation 19) Local Plan shows that as of December 2024, three windfall sites accommodating 3 pitches in total have already secured planning permission in 2024. The trajectory also includes the completion of a new site providing 9 pitches in 2022/23 via a planning obligation relating to strategic sites allocated in a previous Development Plan. The Council can therefore demonstrate that its policy approach of combining strategic site allocations and windfall permissions is sound.
- 3.90. The Council's SHELAA is open all year round so landowners can submit a new site on a rolling basis. In response to the low number of sites submitted for Gypsy and Traveller pitches through this process relative to the level of need identified in the draft GTAA, the Council conducted a bespoke Call for Gypsy and Traveller Sites in the Autumn of 2023. Two sites were submitted, both of which were in the Green Belt and have since been granted planning permission using the criteria of Policy DM3.
- 3.91. The Council also considered whether it was feasible to expand existing public sites, but this option was dismissed on the basis that it would result in sites being larger the preferred 'around 10' site size.

- 3.92. The PPTS requires local planning authorities in producing their Local Plan to identify and update annually a supply of specific deliverable sites sufficient to provide 5 years' worth of sites against their locally set targets. Given the dynamics of the site allocations and the lack of sites submitted to the SHELAA and the bespoke Call for Gypsy and Travellers sites, it has not been possible to meet this requirement. The lack of a 5 year supply of pitches was a material consideration in the granting of two of the windfall planning permissions issued in 2024 and will continue to be a material consideration when sites are submitted for planning permission at the development management stage. The Council will endeavour to ensure early delivery of additional pitches within the strategic site allocations wherever possible.
- 3.93. The Chelmsford GTAA also identified a need for 31 pitches from households not meeting the December 2023 PPTS definition of Gypsies and Travellers. These needs are reflected in Policy DM1 Part C) ii) (Specialist Residential Accommodation).
- 3.94. In December 2024, a revised PPTS was published alongside the new NPPF. This widened the definition of Gypsies and Travellers to include 'all other persons with a cultural tradition of nomadism or of living in a caravan'. It is not clear how many of the households that form the 31-pitch need identified in the Chelmsford GTAA would fall within this new definition. At this late stage of Plan preparation, and given the position set out above, it is not considered practical to delay plan preparation to enable a new GTAA to be conducted and considered. Policy DM3 enables weight to be given to households that meet the PPTS definition therefore it is considered reasonable to review this matter upon adoption of the Pre-Submission (Regulation 19) Local Plan.
- 3.95. Paragraph 30 of the 2024 PPTS states that the implementation of policies set out in the NPPF will also apply to plan-making and decision-taking for traveller sites. It goes on to state that in applying those implementation provisions to traveller sites, references in those provisions in the NPPF should be read to include policies in the PPTS. On this basis it seems logical that for the purposes of plan-making, the 2023 PPTS that was published alongside the December 2023 NPPF, would apply to transitional plans be examined against the 2023 NPPF.

Travelling Showpeople

- 3.96. Strategic Policies S6 and S7 propose a total of 28 new allocated permanent plots on strategic sites for Travelling Showpeople as defined by the PPTS published in December 2023. Strategic Policy S6 A sets out that the remainder of the need (10 plots) identified in the GTAA to meet the national planning policy definition set out in Annex 1 (December 2023 PPTS), will be met through windfall applications using the criteria of Policy DM3 and the regularisation of existing plots.
- 3.97. Since the publication of the Preferred Options (Regulation 18) Local Plan, the Council propose to relocate the 10-plot allocation in the North East Chelmsford Garden Community (Strategic Site 6) which is already subject to an approved masterplan, to the East Chelmsford Garden Community (Strategic Site 16a), and increase provision from 10 to 13 plots.
- 3.98. The Traveling Showpeople Plots Trajectory 2022-2024 included in the Pre-Submission (Regulation 19) Local Plan shows that as of December 2024, 10 plots within strategic allocations have a resolution to grant planning permission and 11 plots have completed as part of a planning application allowed on appeal (Appeal reference: PP/W1525/W/24/3341747). The need arising from this site was included in the final Chelmsford GTAA therefore the combination of this planning permission and site allocations

from the adopted and Pre-Submission (Regulation 19) Local Plan currently address the identified need.

- 3.99. The site granted planning permission on appeal was the only proposed Travelling Showpeople site in the SHELAA. A bespoke call for sites for Travelling Showpeople plots was not conducted alongside the Call for Gypsy and Traveller Sites, as the Preferred Options Local Plan proposed sufficient allocations to meet the needs identified in the draft GTAA.
- 3.100. It is not possible to expand the existing Travelling Showpeople sites and the intensification of plots on existing sites has led to the overcrowding problems identified as net new need in the [Chelmsford GTAA](#).
- 3.101. Currently, the Travelling Showpeople Plots Trajectory shows a five year supply of 16 plots against an identified need for 26 plots between 2023-2027 in the final Chelmsford GTAA. Consequently, the Council will endeavour to ensure earlier delivery of additional plots within the strategic site allocations wherever possible.

Land Supply

5-Year Land Supply

- 3.102. Using a Housing Requirement figure of 1,210 dwellings per annum and a housing supply of 6,792 dwellings forecast to be completed in the five-year period 2024/25 – 2028/29, the Council can demonstrate a suitable supply of deliverable sites for housing for 5.12 years.

Figure 10: Five-year Housing Land Supply Position Statement

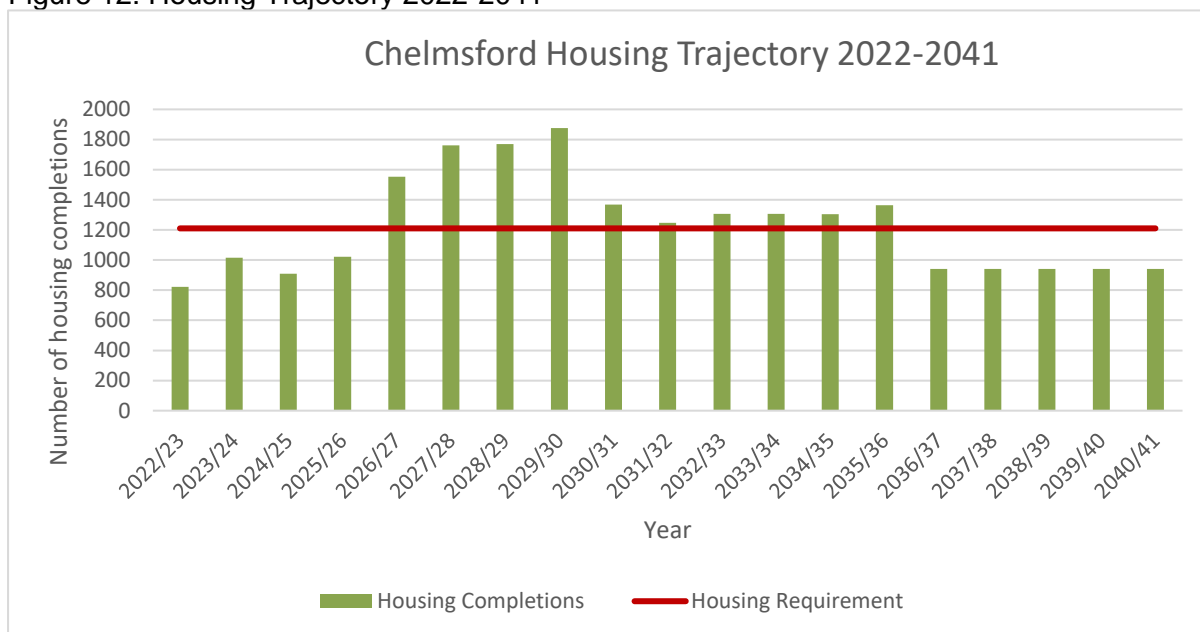
Housing Requirement	1,210 dwellings per annum equals 6,050 dwellings over 5 years
Historic Shortfall Baseline Year 2022/23	+ 583 (2,430 - 1,837) - shortfall below the Housing Requirement of 1,210 since the base date of the adopted plan) 6,050 + 583 = 6,633/5 years = 1,326.6 dwellings per year
5-year supply	5.12 years (6,792 / 1,327)

- 3.103. A 5% buffer is not included in the calculation because it is not a requirement of the December 2023 NPPF. The step change to delivering a continuous 1,210 new dwellings per annum represents a significant boost in supply compared to recent delivery and previous standard method local housing need figures.
- 3.104. Provision is made for a total of 23,326 new homes in the period 2022 – 2041 in the Pre-Submission (Regulation 19) Local Plan consisting of:

Figure 11: Housing Supply 2022/23 – 2023/24

Housing Supply 2022/23 – 2040/41	Net new homes
Completions 2022/23 – 2023/24	1,837
Sites with planning permission (excludes existing Local Plan allocations)	3,016
Existing Local Plan allocations	11,867
New Local Plan allocations	4,233
Windfall allowance (2027-2041)	2,373
Total Supply	23,326

Figure 12: Housing Trajectory 2022-2041



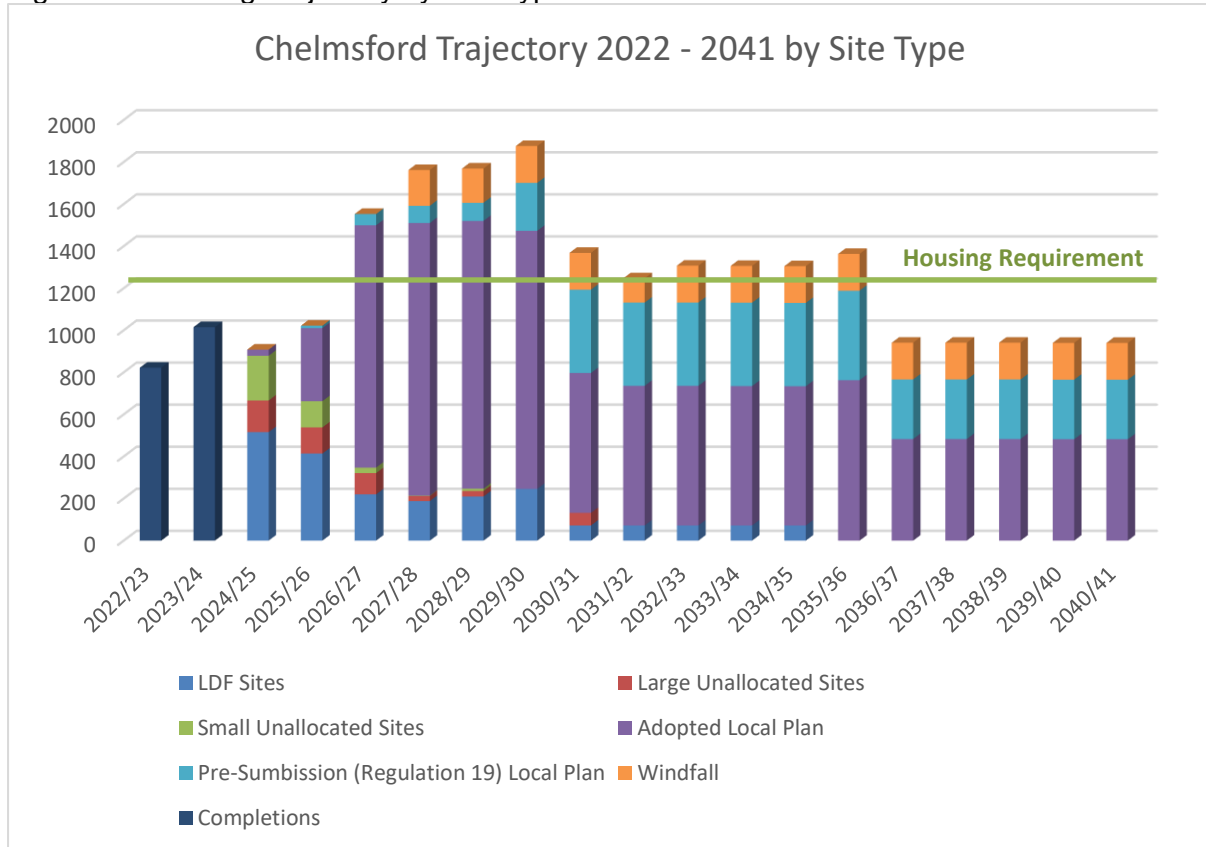
3.105. The Housing Trajectory shows a high housing supply in years 2026/27 – 2029/30 and is currently forecasting a supply above the Housing Requirement for most of the plan period.

3.106. The trajectory is updated each year and reviewed through several methods including regular site visits by Council officers, information from developers and Registered Providers, building control reports, Community Infrastructure Levy reports and annual confirmation of delivery rates with developers.

3.107. Towards the end of the monitoring year the Planning Policy Monitoring Officer contacts promoters/landowners of larger development sites setting out the Council’s projected delivery rates for their site. They are asked to confirm or update these projected deliver rates and provide a reason for any change. These changes are then review by the planning policy team and representatives from Development Management, to ensure an appropriate degree of realism.

3.108. The key components of the housing trajectory by development plan period are set out below:

Figure 13: Housing Trajectory by Site Type



3.109. The sites in Figure 13 above have been grouped by their development plan period, other than unallocated sites, windfall sites and completions from the base period of the Pre-Submission (Regulation 19) Local Plan. The ‘LDF’ sites relate to allocations from the earliest adopted plan period and comprise sites that were allocated in the former development plan documents known as the Town Centre Area Action Plan, North Chelmsford Area Action Plan and Site Allocation Development Plan Document. Sites relating to Growth Areas 1, 2 and 3 in the adopted plan and Pre-Submission (Regulation 19) Local Plan have been separated out to show those that are current allocations in the adopted Local Plan and proposed new allocations in the Pre-Submission (Regulations 19) Local Plan.

3.110. Figure 13 shows that most of most of the supply in the early part of the Plan period comes from sites that are allocated in the adopted Local Plan or early development plan documents. The new allocations proposed in the Pre-Submission Local Plan are not forecast to contribute in a meaningful way to net new supply until approximately halfway through the plan period.

3.111. A key advantage of being a Plan-led authority is the volume of supply that is within the planning system whether pre-application advice, planning applications or planning permissions. As of October 2024, there were in the region of 4,000 new homes which are the subject of pre-application discussions. In addition, several Planning Performance Agreements in place on the strategic allocations in the adopted Plan comprised just over 12,300 dwellings. At the same October baseline, there were 11,547 net new dwellings within major applications currently being considered by the City Council and 3,261 new homes which have an extant planning permission but are yet to be built.

3.112. The Council scrutinises new housing delivery statistics on an annual basis, with 10 years' worth of key housing statistics monitoring trends and targets to ensure housing supply and forecasts remain robust.

Windfall allowance

3.113. Paragraph 72 of the NPPF (December 2023) states that local planning authorities may make an allowance for windfall sites as part of anticipated supply providing any allowance is realistic having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends.

3.114. [National Planning Practice Guidance](#) (023 Reference ID: 3-023-20190722) goes on to state that local planning authorities can identify broad locations in years 6 -15, which could include a windfall allowance based on a geographical area.

3.115. The City Council have therefore sought to consider and assess the historic windfall delivery rates, as well as expected future trends. From this it is then possible to estimate an expected level of windfall allowance to be included in its Housing Trajectory and to assist in the calculation of the five year housing land supply.

3.116. To ensure there is no double counting within the projected housing figures for Chelmsford no sites within the windfall assessment are allocated sites within the adopted Local Plan.

3.117. Historic windfall completions taken from the recorded completions within the Council area for the last 12 years from sites which are unallocated within any of the previously adopted Development Plan Documents or within the new Local Plan, are set out below:

Figure 14: Historic Windfall Completions

Year	Total Number of Windfall Completions		Number of which were completed on small sites ²
2012/13	139		114
2013/14	274	-130 Hayes Leisure Park = 144	144
2014/15	277	-150 Hayes Leisure Park = 127	127
2015/16	178		175
2016/17	347		343
2017/18	358		358
2018/19	227		209
2019/20	197		181
2020/21	134		129
2021/22	104		104
2022/23	198		198
2023/24	204		203
TOTAL	2637	2357 (with Hayes deductions)	
Average per annum	220	196 (with Hayes deductions)	

² Sites no larger than 1 hectare

3.118. Projected windfall completions are taken from sites with approved planning permissions, but which have not yet been recorded as being completed within the projected Housing Site Schedule, which are unallocated within the previously adopted Development Plan Document and the new Local Plan. They are set out below:

Figure 15: Projected Windfall Completions

Year	Number of projected Windfall Completions (based on Windfall sites with Planning Permission)
2024/25	292
2025/26	177
2026/27	110
2027/28	26
2028/29	33
2029/30	0
2030/31	60
2031/32	0
2032/33	0
2033/34	0
2034/35	0
2035/36	0
TOTAL	698

3.119. The numbers in Figures 12 and 13 use the same April 2024 baseline date to ensure there is no double counting.

3.120. The City Council has seen an average completion rate for windfall sites of 220 dwellings per annum for the last twelve years. However, it is acknowledged that in years 13/14 and 14/15, 130 and 150 units came about from regularising of park homes being permanently occupied at Hayes Leisure Park. These figures could be considered as an anomaly and figures which are unlikely to be seen within a 'normal' year. Although these are technically 'windfalls' and could legitimately be included within an assessment, the City Council does not seek to rely upon them in its calculation of future windfall projections. With these figures removed the historic average completions per annum amounts to 196 units.

3.121. There are a further 698 dwellings which have planning permission on sites defined as windfall sites within the City Council's Housing Site Schedule, but which are yet to be completed. 638 of these appear in the first five years of the Schedule. Over these five years this equates to an average projected completion rate of approximately 128 windfall dwellings per annum.

3.122. It is considered that the windfall projections for the first three years in the Housing Site Schedule are likely to be reasonably accurate and limited additions will come forward in these years, owing to the need to commence planning permissions within three years. However, years four and five are likely to see an increase as further (currently unknown) planning permissions on windfall sites are approved each year. It is therefore considered appropriate to add further projected windfalls to these two years.

3.123. On the basis of the data available to the City Council it is considered reasonable to make up the windfall allowance to 196 dwellings per annum for the years 2027/28 and 2029/29 within the April 2024 Housing Trajectory as illustrated in Figure 14. This is based on the 196 average historic windfall completions seen over the last twelve years (excluding the numbers seen at Hayes Park):

Figure 16: Projected Windfall Completions with windfall allowance added to 5 Year Housing Supply

Year	Number of projected Windfall Completions (based on Windfall sites with Planning Permission)	Figure to be added to five year Housing Supply to make up projected windfall allowance of 196 per annum
2024/25	292	0
2025/26	177	0
2026/27	110	0
2027/28	26	170
2028/29	33	163
TOTALS	638	333

3.124. It is therefore considered that the Council can demonstrate that this number of windfall completions have consistently become available in the local area (through past completion records) and will continue to provide a reliable source of supply (based on the April 2024 Housing Site Schedule of windfall sites with planning permission).

3.125. Based on the historic evidence for windfall completions and future windfall projections there is compelling evidence to support 196 dwellings per annum for years one to five in the Council’s Housing Trajectory.

3.126. Given the unpredictability of supply and completion rates over a longer period the City Council have used a reduced rate of 175 dwellings per annum beyond year five until 2040/41 of the Housing Trajectory.

3.127. It is considered that 175 dwellings per annum is a conservative figure which can be relied upon for the longer-term future projections for windfalls.

Figure 17: Projected Windfall Completions with windfall allowance added to years 2029/30 to 2040/41 of the Housing Trajectory

Year	Number of projected Windfall Completions (based on Windfall sites with Planning Permission)	Figure to be added to Housing Trajectory to make up projected windfall allowance of 100 per annum
2029/30	0	175
2030/31	60	115
2031/32	0	175
2032/33	0	175
2033/34	0	175
2034/35	0	175
2035/36	0	175
2036/37	0	175
2037/38	0	175
2038/39	0	175
2039/40	0	175
2040/41	0	175
TOTAL	60	2,040

Small Sites

3.128. Windfall sites form approximately half of the 207 sites in the Pre-Submission (Regulation 19) Local Plan that are no larger than one hectare and are therefore classified as small sites in accordance with Paragraph 70 a) of the NPPF (December 2023). As of April 2024, 1,588 new dwellings are due to be delivered on small sites, which equals 9.86% of the existing Local Plan allocations (11,867) and new Local Plan allocations (4,233). This excludes any self and custom build houses that will be delivered on developments of more than 100 dwellings in accordance with Policy DM1 C) i).

Supply Buffer

3.129. Historically the Council has included a housing supply buffer of between 16 – 18% across different Local Plan periods.

3.130. To help achieve the step change in the housing requirement and comply with the NPPF transitional arrangements, the supply buffer has been reduced to 1.4%. Using the supply buffer envisaged in the Preferred Options (Regulation 18) Local Plan, enables the Plan to quickly pivot and proceed under the transitional arrangements for a plan-led system. The NPPF does not require a supply buffer, and the supply of new dwellings will be closely monitored through the Authority Monitoring Report. The Pre-Submission (Regulation 19) Local Plan includes a monitoring framework which sets out a series of triggers and actions relating to Strategic Policy S6, an extract of which is set out below:

Figure 18: Extract of Monitoring Framework – Strategic Policy S6 Housing and Employment Requirements

Trigger for action	Contingency / Action
(1) Failure to deliver 95% of the number of net new homes required over a 3-year rolling period as published annually by the Ministry for Housing, Communities and Local Government in the Housing Delivery Test (2) Failure to deliver 85% of the number of net new homes required over a 3-year rolling period as published annually by the Ministry for Housing, Communities and Local Government in the Housing Delivery Test (3) Failure to deliver 75% of the number of net new homes required over a 3-year rolling period as published annually by the Ministry for Housing, Communities and Local Government in the Housing Delivery Test.	(1&2) Publish an Action Plan setting out key reasons for the situation and actions the Council and other parties need to take (2) Plan for a 20% buffer on the Council's five year housing land supply, if necessary by bringing additional sites forward into the supply (3) Instigate a full or focused formal review of the Local Plan (2-6) Consider whether the Policy requirement itself needs to be reviewed as part of a full or focussed formal review of the Local Plan set out Policy S13

NPPF December 2023 Checklist

3.131. The Council has reviewed the Pre-Submission (Regulation 19) Local Plan against the requirements of the 2023 December NPPF. The table below shows that the plan meets all the requirements in respect to Housing. The full Pre-Submission (Regulation 19) Local Plan Form and Contents Checklist (February 2025) is available at www.chelmsford.gov.uk/lp-review.

Commentary key:

Pre-Submission Local Plan meets the December 2023 NPPF requirement
Pre-Submission Local Plan partially meets the December 2023 NPPF requirement
Pre-Submission Local Plan does not meet December 2023 NPPF requirement

Figure 19: NPPF Checklist.

No.	NPPF 2023 Requirement	Paragraph	Commentary
	<i>General Requirements</i>		
	<i>Housing</i>		
14.	Be informed by a local housing need assessment, conducted using the standard method in national planning guidance as an advisory starting point. Any housing needs which cannot be met within neighbouring areas should also be taken into account when establishing the amount of housing to be planned for within the plan.	61	The plan is informed by an updated Strategic Housing Needs Assessment (SHNA) conducted using the standard method in national planning guidance. A partial update to the 2023 SHNA was carried out in 2024 via an Addendum Report. This reviewed the implications of moving from housing delivery at the proposed revised standard method for assessing housing needs of 1,206 dwellings per annum set out in the NPPF

			consultation document published in July 2024. Whilst updating analysis for a new housing number, the report also updates other aspects of the SHNA where new data exists. Duty to Co-operate engagement will continue to be undertaken to establish if there is any unmet need from neighbouring authorities. Essex authorities have a memorandum of understanding on how any unmet housing need should be addressed although using the revised housing requirement figure the housing supply buffer is significantly reduced.
15.	<p>Identify the size, type and tenure of housing needed for different groups.</p> <p>Assess a local need for retirement and care housing provision when considering the housing needs of older people.</p>	63	<p>The 2024 SHNA Addendum Report updates the need for affordable housing and older and disabled people.</p> <p>Policy DM1 includes a requirement for 10% of market housing on greenfield sites of more than 500 dwellings to be provided for older persons in addition to site allocation SGS7a.</p> <p>Policy DM2 includes a reference to build to rent housing and the need for affordable private rent dwellings.</p> <p>Local need for Specialist Residential Accommodation is considered in the SHNA and 2024 update as well as the 2023 GTAA.</p> <p>Policies DM1 and DM2 are supported by published Planning Advice Notes and a revised draft Planning Obligations SPD will be published for consultation alongside the Pre-Submission (Regulation 19) Local Plan documents.</p>
16.	<p>Provision of affordable housing should not be sought for residential developments that are not major development, other than in designated rural areas. The definition of major development in the Glossary of the NPPF is development where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more.</p> <p>Where a need for affordable housing is identified, specify the type of affordable housing required.</p>	64, 65	<p>Set out in Policy DM2 and supported by a revised draft Planning Obligations SPD.</p>

17.	Expect at least 10% of the total number of homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups.	66	Set out in Policy DM2 and supported by a revised draft Planning Obligations SPD.
18.	Set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations.	67, 68	There are five designated neighbourhood areas with Neighbourhood Plans in progress. The Pre-Submission (Regulation 19) Local Plan continues to set out a housing requirement of 100 new dwellings for Danbury designated neighbourhood area. Broomfield and Boreham are not being considered for new housing growth in the preferred Spatial Strategy. East Hanningfield does fall within the overall strategy options for growth but a housing requirement has not been requested by the Neighbourhood Plan body.
19.	Identify a supply of specific, deliverable sites for years one to five of the plan period, and specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan.	69	Appendix C and site allocation policies meet this requirement.
20.	Identify land to accommodate at least 10% of the housing requirement on sites no larger than one hectare; unless it can be demonstrated that there are strong reasons why the 10% target cannot be achieved.	70	The Pre-Submission (Regulation 19) Local Plan includes sites to accommodate around 10% of the housing requirement on sites no larger than one hectare. Policy DM1 requires 5% self and custom build homes on all development of more than 100 homes. Further information will be set out in the Pre-Submission Spatial Strategy and Strategic Sites and Housing Topic Papers.
21.	Seek opportunities, through policies and decisions, to support small sites to come forward for community-led development for housing and self-build and custom-build housing.	70	Policy DM1 enables the provision for self-build and custom-build homes. Policy DM2 provides the circumstances in which Community-led Exception Sites will be supported. Policies DM1 and DM2 are supported by published Planning Advice Notes and a revised draft Planning Obligations SPD will be published for consultation alongside the Preferred Options Local Plan documents.

22.	Plans should consider the case for setting out policies to resist inappropriate development of residential gardens, for example where development would cause harm to the local area.	72	Addressed in Policy S7.
23.	Support the development of exception sites for community-led on sites that would not otherwise be suitable as rural exception sites.	73	Policy DM2 D enables the provision of Community-led Exception Sites in non-Designated Rural Areas and the Green Wedge in specified circumstances and be supported by a revised draft Planning Obligations SPD.
24.	Support the supply of homes through utilising masterplans, design guides and codes where appropriate to support larger scale developments.	74	Strategic Policy S7 sets out that Strategic Growth Sites require sites to be delivered in accordance with masterplans to be approved by the Council. Relevant site allocation policies refer to the need for a masterplan to be approved as a specific requirement.
25.	Include a trajectory illustrating the expected rate of housing delivery over the plan period.	75	Detailed trajectory is included in Appendix C.
26.	Be responsive to local circumstances and support rural housing developments that reflect local needs.	82	Set out in Strategic Policy S7 and Policy DM2.
27.	Identify opportunities for villages to grow and thrive, especially where this will support local services.	83	Defined Settlement Boundaries (DSBs) allow development to come forward within villages in principle. Strategic Policy S7 allows new growth sites which are in accordance with the Spatial Principles and Strategic Policies to be allocated through relevant Neighbourhood Plans.
28.	Avoid the development of isolated homes in the countryside unless specific circumstances are consistent with those set out in the NPPF.	84	Set out in policies including S1 and DM8

Alternatives Considered

3.132. The Local Plan review has considered a number of alternative policy approaches and options including different development quantum and spatial strategy options. Each policy in the Preferred Options (Regulation 18) Local Plan Consultation Document included 'Alternatives considered' which were tested in the Preferred Options IIA, alongside the proposed policies, to help ensure that the final version of the plan is justified and an appropriate strategy, when considered against the alternatives and other available and proportionate evidence. Alternative spatial strategy options have also been tested in other evidence base reports such as the Water Cycle Study Scoping Report and Preferred Options Traffic Modelling Report. Furthermore, the Pre-Submission IIA has considered

different spatial strategy and development site options for growth. More detail is set out in each evidence base report and the Pre-Submission Spatial Strategy Topic Paper.

3.133. In summary, key alternatives considered during the plan review in relation to Housing include:

Alternative Strategic Policies

- **Not having a Housing Requirement Figure** - the NPPF requires local planning authorities to proactively meet the need for new housing, employment and retail. Local Plans should set a clear strategy for their area to encourage sustainable growth and inward investment.
- **Having a lower Housing Requirement Figure** – as set out above, this was discounted because it would not be in line with the NPPF and a lower growth option performs poorly in meeting housing need as well as being likely to have a negative effect on employment, reflecting restrictions on employment growth and generating out-commuting, as residents seek employment opportunities elsewhere.
- **Having a higher Housing Requirement Figure** – as set out above, this was discounted as it performed poorly overall reflecting greater resource use with greater uncertainty overall such as potential oversupply of housing in the plan period, disrupting co-ordinated delivery against identified need. It would also disturb the balance between housing and jobs provision.
- **Not having a Spatial Strategy** - would undermine the delivery of the Plan's Vision, Strategic Priorities and create uncertainty and ultimately lead to unplanned and uncoordinated development not supported by necessary infrastructure. It would result in the removal of specified development allocations and the Settlement Hierarchy which guides future planning decisions and promotes sustainable development.
- **Development in the Green Belt** – discounted as sufficient and suitable land is available outside the Green Belt to meet transitional development needs in a sustainable way. It would also undermine the protection of the Green Belt by national planning policy.
- **Development growth in the Green Wedge** - the Green Wedge is a locally important designation following the river valleys which have been enshrined in Chelmsford development plans since 2008 and has helped shape Chelmsford's growth. Changes to the Green Wedge boundaries to allow development growth has been discounted as sufficient and suitable land is available outside the Green Wedge to meet the areas transitional development needs in a sustainable way.

Alternative Development Management Policies

- Alternative threshold and percentages for Policy DM1 (Size and Type of Housing)** - the site / size threshold for DM1 A) is considered appropriate as it applies to major development, and it would be disproportionate to apply it to smaller development. The percentage requirement in DM1 A) ii) has been reduced from the Preferred Options (Regulation 18) Local Plan as it cannot currently be justified and is likely to be mandated under Building Regulations although the higher percentage is still reflecting in the Local Plan Viability Update. The latest available evidence suggests the amounts and thresholds in Policies DM1 B) and DM1 C) ii) are justified and supported through viability testing. To amend these could result in sites either being unviable for development or an unjustified overall reduction in affordable housing. The draft consultation Planning Obligations Supplementary Planning Document now proposals a formula to calculate the Specialist Residential Accommodation obligation in DM1 C) ii), which has also been included in the Local Plan Viability Update where appropriate. The latest available evidence suggests the percentage in Policy DM1 C) i) will meet the identified need. As explained above, the requirement for older person accommodation in Policy DM1 D) i) responds to the outputs of the methodology used in the SHNA 2023 and 2024 Addendum but the threshold has been selected to ensure a critical mass of Specialist Residential Accommodation can be provided.
- Alternative threshold sizes and percentages for Policy DM2 (Affordable Housing and Exception Sites)** – the latest available evidence suggests the amount and thresholds are justified and supported through viability testing. To amend these could result in sites being unviable for development although Policy DM2 now sets out the circumstances in which a viability assessment will be considered at planning application stage and how/when review mechanisms will be applied through planning obligation agreements for schemes that do not meet in full the requirements of Policy DM2. The Pre-Submission (Regulation 19) Local Plan has maintained the percentage of affordable housing for rent required on threshold sites but clarified that the same percentage will also be required from Build to Rent development in the form of affordable private rent capped at Local Housing Allowance levels because of the significant rise in the need for this type of housing in the 2024 SHNA Addendum. The Pre-Submission (Regulation 19) Local Plan maintains the same percentage requirement for affordable home ownership housing set out in the Preferred Options (Regulation 18) Local Plan but has clarified that this should be provided as shared ownership housing as there was no identified need for First Homes in the 2024 SHNA Addendum.

- **Give weight to all planning applications from Gypsies, Travellers and Travelling Showpeople** – this alternative was discounted in the Preferred Options (Regulation 18) Local Plan as it would not prioritise Gypsies, Travellers and Travelling Showpeople that meet the Government's PPTS definition. The revised definition of Gypsies and Travellers in the PPTS published in December 2024 is likely to now include some of those households previously deemed outside of the definition in the final Chelmsford GTAA.

4. Conclusion

- 4.1. The rationale for City Council's approach to Housing to support the Local Plan is clear, compliant with national policy and well informed.
- 4.2. The relevant supporting evidence base studies and documents set out that while Chelmsford faces some constraints in meeting all housing need, there are suitable allocations and development management policies to meet the requirements of the NPPF.
- 4.3. The Council's approach is to use the transitional arrangements set out in the December 2024 NPPF to address local housing need and proceed with a Plan-led approach to new housing provision that avoids any disruptions to planned supply whilst maintaining a reasonable degree of self-containment.

5. Next Steps

- 5.1. This Topic Paper will be updated following feedback to the Pre-Submission (Regulation 19) Local Plan consultation and form part of the evidence base alongside submission of the plan for Independent Examination.

Appendix 1 – Preferred Options Housing Topic Paper

Chelmsford Local Plan

Review of the adopted Local
Plan

Preferred Options

Topic Paper:

Housing

May 2024



1. Purpose

- 1.1. This Topic Paper is one of a number produced by Chelmsford City Council to set out how the review of the adopted Local Plan has developed. Topic papers will be refreshed and updated at each stage of the review of the adopted Local Plan process to ensure the latest information/position is available. The previous Housing Issues and Options Topic Paper is given in Appendix 1. As such, this topic paper supersedes previous versions.
- 1.2. The intention of the topic papers is to provide background information; they do not contain any policies, proposals or site allocations. Topic papers form part of the Local Plan evidence base which will be submitted alongside the Local Plan for independent examination.
- 1.3. This paper covers how housing matters have been considered when preparing the review of the adopted Local Plan and how the review will seek to provide sustainable patterns of development through a Spatial Strategy that meets the need for new homes.
- 1.4. The Topic Paper provides background information and context of how the Local Plan has been formulated. This Topic Paper should be read alongside the other Preferred Options Topic Papers produced, in particular:
 - Spatial Strategy and Strategic Sites – covers development needs and the Spatial Strategy
 - Infrastructure - covers infrastructure needs to support the Local Plan and how requirements and delivery of various pieces of infrastructure will be provided for in the Review of the Adopted Local Plan.
 - Employment – covers how employment matters and requirements have been considered when preparing the Review of the Adopted Local Plan.
 - Transport – covers how transport matters and transport impacts have been considered when preparing the Review of the Adopted Local Plan.
- 1.5. The main issues covered by this Topic Paper relate to:

**Strategic Priority 5 - Meeting the Need for New homes; and
Strategic Policy S6 – Housing and Employment requirements, including:**

- The minimum number of homes needed.
- The size, type and tenure of housing needed for different groups in the community.
- The achievability and effectiveness of existing housing policies in decision-making
- New corporate priorities and strategies.

**Strategic Priority 4 – Ensuring sustainable patterns of development and protecting the Green Belt; and
Strategic Policy S7 – The Spatial Strategy, including:**

- Housing supply.
- The mix of sites in the development plan.
- Maintaining supply and delivery through the development plan period.

2. Background

- 2.1. The size of the local population and household formation rates affect the demand for housing. Need for new housing arises when population growth leads to new households forming.
- 2.2. The local labour market affects a household's ability to access housing and affordability pressures can prevent people accessing the housing they need.
- 2.3. There is a backlog of need among people currently living in unsuitable accommodation. When people are unable to access suitable housing it can result in overcrowding, more young people living with their parents for longer, impaired labour mobility and increased levels of homelessness.

Population

- 2.4. As of mid-2022, the population of Chelmsford is estimated to be 183,326 – an increase of around 15,026 people over the previous decade. This equates to a growth of around 9% since 2011 which is higher than the overall increase for England (7.7%) and a similar rate of growth to that across Essex (9.0%) and the East of England (9.4%).
- 2.5. The table below shows the population in 2021 in each of the sub-areas listed – this is based on the 2021 Census and so totals differ very slightly from the mid-year estimate referenced above. The information shows around three-fifths of the population as living in the Urban area with the next largest area being Rural, with 32% of the population.

Figure 1: Population by sub-area 2021.

	Population	% of population
Urban	107,205	59.1%
Rural	58,269	32.1%
South Woodham Ferrers	16,021	8.8%
Total	181,495	100%

Source: Census (2021)

- 2.6. In England, the largest age group in the mid-2022 population estimates were people aged 16 – 64. The largest increase since the 2011 Census has been in the 65+ age group. The population aged 65 and over accounts for 48% of all population change over this period.

Figure 2: Change in population by broad age group (2011 – 2022) Chelmsford.

	2011	2022	Change	% change
Under 16	31,257	34,397	3,140	10.05%
16 - 64	108,856	113,284	4,428	4.07%
65+	28,378	35,645	7,267	25.6%
TOTAL	168,491	183,326	14,835	8.8%

Source: Mid-year population estimates

Number of households

- 2.7. Demographic changes also shape the type and size of accommodation needed.
- 2.8. The 2018-based household projections indicated that the number of households in Chelmsford has increased by 7.8% since 2013, reaching 75,961 households in 2022. This compares to an increase in the East of England of 7.3% and a national increase of 7.1%.
- 2.9. The number of households recorded in the 2021 Census was 75,400 – close to the 2018-based projection figure for 2022.
- 2.10. The 2018-based household projections indicated that the household population in Chelmsford has increased at approximately the same rate as the number of households between 2018 and 2023, resulting in the average household size remaining very similar – 2.39 in 2018 and 2.38 in 2023. However, at the national level the household population has risen at a lower rate than the number of households, resulting in a falling average household size from 2.37 to 2.35 in the same period.
- 2.11. The most common household in 2018 was households with two or more adults (43.52%). This trend is set to continue into 2043, with two or more adult households forming 44.33% of households in Chelmsford.

Income

- 2.12. Income has a significant effect on the level of choice a household has when seeking accommodation. The median earned gross income for full-time employees' resident in Chelmsford (individual incomes rather than household incomes) in 2022 was £35,769, according to the ONS Annual Survey of Hours and Earnings. This was marginally higher than the East of England regional figure of £34,426 and above the national median figure of £33,279. Since 2013, the median income of full-time employees' resident in Chelmsford has increased by 18.4%. This increase is slightly below the increase in the East of England (21.4%) and across England (21.6%).

Housing Affordability

- 2.13. Figure 3 below shows the rise in median house prices in Chelmsford between 2012 – 2023. The rate of increase is far higher than the increase in the median income of full-time employees in Chelmsford across the same period, ranging between 67.9% for flats and 86.85% for terraced dwellings.

Figure 3: Median House Price Change year ending December 2012 to year ending December 2023 by dwellings type – Chelmsford.

	Year ending (£) December 2012	Year ending (£) December 2023	Change (£)	% Change
Detached	342,500	618,500	276,000	80.6%
Semi-detached	236,750	427,000	190,250	80.4%
Terraced	192,000	358,750	166,750	86.9%
Flat	134,000	225,000	91,000	67.9%

Source: ONS Small Area House Price Statistics

- 2.14. The ratio of median housing price to median gross annual workplace-based earnings in March 2022 in Chelmsford was 12.21¹, compared to 8.17 in 2013. In comparison, the affordability ratio in 2022 in the East of England was 10.08, whilst the ratio for England was 8.28.

Deprivation

- 2.15. Chelmsford is ranked one of the least deprived local authorities in England with one of the lowest average proportion of households in poverty within Essex. However, there are pockets of deprivation across Chelmsford, including the Waterhouse Farm ward which has fallen 3 deciles (8th to 5th) between the 2007 and 2019 Indices of Multiple Deprivation.

Housing Supply

- 2.16. Residential land supply is a key contributing factor in housing affordability. The Department for Levelling Up, Housing and Communities and Ministry of Housing Communities and Local Government live tables indicate that there were 79,428 dwellings in Chelmsford in 2022.
- 2.17. Since 2013, there have been 8,703 net new dwellings built in Chelmsford. The average annual completion rate is 876 dwellings per annum, which is above the Housing Requirement in the adopted Local Plan (2020) of 870 per annum. From the base date of the adopted Local Plan (2013/2014), the Council has an oversupply of 653 dwellings as at the 31 March 2023.
- 2.18. Using the Housing Requirement number of 805 dwellings per annum, the City Council can demonstrate a suitable supply of deliverable sites for housing for 8.83 years. The calculation of this figure includes a 5% buffer to ensure choice and competition in the market for land.
- 2.19. The Housing Delivery Test 2022 measurement, published in December 2023 by the Department for Levelling Up, Housing and Communities, shows that Chelmsford exceeded the Housing Delivery Test Threshold by 21%, therefore no further action is required.

3. Preferred Options

Policy Context

- 3.1. All policies in the Local Plan must be positively prepared, justified, effective and consistent with national policy. The National Planning Policy Framework (NPPF) sets out the overarching planning policy framework, supported by the National Planning Practice Guidance (PPG).
- 3.2. The adopted Local Plan was examined under the 2012 National Planning Policy Framework (NPPF). There have subsequently been updates to the NPPF and the Preferred Options

¹ Using the 22 March 2023 data release House Price workplace-based earnings ratio 2022 figure.

Local Plan has been considered against the requirements of more recent national planning policy and guidance including the 2023 NPPF. Where possible, changes to the NPPF affecting plan-making have been reflected in the Preferred Options Local Plan.

- 3.3. Further details on these key changes for consideration are set out in the table below, included under the section 'Local Plan Approach'.

National Policy

- 3.4. As of April 2023, the local housing need figure for Chelmsford using the national standard method is 955 net new homes per annum:

Figure 4: Local Housing Need calculation April 2023

	The average annual housing requirement figure in existing policies	805
Step 1	Average annual household growth over 10 years ²	631.4
Step 2	Adjusted minimum annual local housing need figure ³	955
Step 3	Capped figure (805 + (40% x 805) = 805 + 322 = 1,127)	1,127

- 3.5. As the capped figure is greater than the minimum local housing need figure and does not limit the increase to the local authority's minimum annual housing need figure, the minimum figure for Chelmsford using the national standard method is currently 955 net new homes per annum.

National Policy Guidance

- 3.6. The NPPF is supported by a series of PPGs on a range of subjects. The most significant PPG documents relating to housing need and supply that have been updated since the publication of the Issues and Options Consultation document are:

- [Green Belt \(19 December 2023\)](#)
- [Housing supply and delivery \(05 February 2024\)](#)

- 3.7. In addition, [Planning Policy for Traveller Sites](#), the Government's planning policy for traveller sites which should be read in conjunction with the National Planning Policy Framework, was revised on 19 December 2023.

- 3.8. All relevant changes to the PPG are considered at this Regulation 18 Preferred Options Stage, with key paragraph references included in the consultation text.

² Using the 2014 household projections for the period 2023-2033

³ Using the 22 March 2023 release House Price Workplace-based earnings ratio 2022 figure (12.21 – 4)/4 x 0.25 = 0.513125 plus 1 = 1.513125 x 631.4 = 955.387125

Local Policy

3.9. In addition to changes in national planning policy, the review of the adopted Local Plan will consider the achievability and effectiveness of housing policies in decision making in the adopted Local Plan (2020), as well as new corporate priorities and strategies of the Council. This includes:

- New and revised Planning Advice Notes published since the publication of the Issues and Options Consultation document – [Community Led Housing Planning Advice Note](#), [Travelling Showperson Sites Planning Advice Note](#), [Self and Custom Build Planning Advice Note](#) and [Wheelchair Accessible Homes Planning Advice Note](#).
- Policy implementation issues flagged through the latest published [Authority Monitoring Report Plan](#), in particular relating to Local Plan Policies DM1 A i and DM2 A.

Duty to Co-operate

3.10. The Council is committed to co-operating with other bodies on strategic planning matters. The Duty to Co-operate Strategy was reviewed and adopted in January 2022.

3.11. The Council will make every effort to seek co-operation on cross-boundary and strategic planning matters in a focused, positive and structured way. We will continue to discuss the Review of the Adopted Local Plan with neighbouring planning authorities and the prescribed bodies at stages which align with and inform the stages of the Review of the Adopted Local Plan. These discussions will help to determine the quantum and distribution of Chelmsford's future growth, which will be supported by updated evidence.

3.12. At the same time, we continue to work constructively with nearby planning authorities on their own local plan preparation. Early engagement and demonstrating co-operation both with neighbours and the prescribed bodies through Statements of Common Ground are key to meeting the legal duty to co-operate.

3.13. In some cases, discussion on strategic matters continue through existing joint working arrangements. We will also arrange further joint Officer and Member meetings, technical stakeholder meetings, focused workshops, and prepare Statements of Common Ground.

3.14. The strategic matters for the Review of the Adopted Local Plan are identified as follows:

- Delivering homes for all including Gypsy and Traveller accommodation
- Jobs and economy including green employment and regeneration
- Retail, leisure, and cultural development
- Sustainable transport, highways and active travel
- Climate change action and mitigation including flood risk and zero carbon
- Natural and historic environment including increased biodiversity and green/blue/wild spaces and connectivity of ecological networks
- Community infrastructure including education, health and community facilities
- Utility infrastructure including communications, waste, water and energy
- London Stansted Airport future airspace redesign.

- 3.15. It is important that the Council has regard to the Housing Market Area when consulting on any strategic matters that apply to the review of the adopted Local Plan, including any needs that cannot be met within neighbouring areas when establishing the amount of housing to be planned for.
- 3.16. To date, none of the local authorities that are considered to share a Housing Market Area with Chelmsford (Braintree District Council, Colchester Borough Council, Maldon District Council and Tendring District Council) have indicated that they are unable to meet their housing need.
- 3.17. Neighbouring local authorities are at different stages of plan preparation and review. The evidence bases to support the review of the adopted Local Plan includes a revised local housing needs assessment. This assesses the size, type and tenure of housing needed for different groups in the community for the administrative area of Chelmsford only.
- 3.18. A revised Gypsy and Traveller Accommodation Assessment for Essex has been undertaken to ensure that local planning authorities across Essex together with Southend-on-Sea and Thurrock councils work collaboratively to develop fair and effective strategies to meet the identified need for permanent and transit sites. Local Plans will then identify land for sites where appropriate.
- 3.19. As part of on-going Duty to Co-operate relevant to this topic, CCC has attended relevant meetings and provided updates on our plan review such as through the Essex Planning Officers Association (EPOA) and meetings with Essex County Council. Details of ongoing activity are contained in the Duty to Co-operate Statement, published as an interim report to accompany the Preferred Options consultation and available at www.chelmsford.gov.uk/lp-review.
- 3.20. As part of the Preferred Options consultation we will be having meetings with neighbouring Local Planning Authorities as well as other relevant Duty to Co-operate bodies. Any strategic cross boundary issues relating to housing matters raised through these meetings and the consultation will be further considered and any further engagement undertaken if required.

Integrated Impact Assessment

- 3.21. The Council is carrying out an ongoing Integrated Impact Assessment (IIA) as the Review of the Adopted Local Plan develops.
- 3.22. The IIA is assessing the following aspects of sustainable development:
- Sustainability Appraisal (SA)
 - Strategic Environmental Assessment (SEA)
 - Habitats Regulations Assessment (HRA)
 - Health Impact Assessment (HIA)
 - Equality Impact Assessment (EqIA).

3.23. The SA, SEA and HRA are a requirement of national policy. The HIA and EqIA are voluntary, but the Council believes they will help to provide a complete picture of the sustainability of the Review of the Adopted Local Plan.

3.24. The IIA identifies the key sustainability issues for the Review of the Adopted Local Plan, which feed into a framework against which proposals will be assessed. It will cover the potential environmental, social, economic and health performance of the Local Plan and any reasonable alternatives. It will be used at each stage of the review of the adopted Local Plan, and be subject to separate consultation, as follows:

- Scoping Report
- Issues and Options
- Preferred Options – Current Stage
- Submission
- Adoption.

3.25. The key sustainability issues and Appraisal Framework Objectives relating to this Topic Paper are:

Figure 5: Extract from Appraisal Framework Objectives

Key sustainability issue	Appraisal Framework Objective
Population and community	2. Housing: To meet the housing needs of the Chelmsford City Area and deliver decent homes. 3. Economy, Skills and Employment: To achieve a strong and stable economy which offers rewarding and well located employment opportunities to everyone. 4. Sustainable Living and Revitalisation: To promote urban renaissance and support the vitality of rural centres, tackle deprivation and promote sustainable living.
Health and wellbeing	5. Health and Wellbeing: To improve the health and well-being of those living and working in the Chelmsford City area.

3.26. The IIA report identifies the likely positive sustainability effects associated with the housing supply for 2022-2041 is that it seeks to exceed the assessed housing requirement over the plan period. The likely significant negative sustainability effects associated with the housing requirement and supply is the significant area of greenfield land that will be required.

3.27. The report also identifies positive and adverse environmental impacts against a range of assessment objectives including sustainable living and revitalisation, health and well-being and transport. Minor negative effects have been identified against biodiversity, water, flood risk, air quality, climate change and waste and natural resources reflecting the demand placed on the use of natural resources by housing growth, notwithstanding advances in building technologies and the mitigation of negative effects through building and site design, that are incorporated in the Preferred Options Local Plan. These adverse effects are likely to be minimised through the implementation of Local Plan policies and mitigation at the site level

and are therefore not considered likely to be significant. The IIA report concludes that the application of demanding masterplanning and site development conditions through the proposed policies help to ensure that development is of a quality that makes a positive contribution to other aspects of the Local Plan’s intentions.

- 3.28. The IIA report acknowledges that there are limited options to meet the residential development requirements on the limited number of brownfield sites that have not already been earmarked for future development in the Chelmsford City Area which means greenfield land is required for development. In addition, small allocations in Key Service and Service Settlements will help to support the villages’ services and facilities.
- 3.29. The uncertainties and negative effects recorded emphasise the importance of the monitoring of the performance of sustainability indicators to help implement mitigation measures which would help improve the performance of all potential allocations, notably in respect of air quality, biodiversity, climate change and health and well-being.
- 3.30. Five alternative Spatial Approaches to the preferred Spatial Strategy were assessed in the Issues and Options IIA Report. Overall, these alternative approaches are considered to perform less well than the preferred Spatial Strategy when considered against national planning policy, an analysis of the Issues and Options consultation responses, the Issues and Options IIA Report, the Local Plan Vision and Spatial Principles, Settlement Hierarchy, environmental constraints, the availability and viability of land for development and discussions with key stakeholders.
- 3.31. Section 5 of the Preferred Options IIA includes recommendations which will be considered as part of further refinement of the Plan before Submission including those related to housing.

Evidence Base

- 3.32. In accordance with the NPPF, policies and their requirements should be based on up-to-date evidence.
- 3.33. In addition to the IIA, the following documents are of particular relevance to housing needs and are supporting the Review of the Adopted Local Plan. Evidence base documents are available online at www.chelmsford.gov.uk/lp-review.

Figure 6: Housing related evidence base documents

Document	Summary	Status
AH001: Chelmsford Strategic Housing Needs Assessment	This report focusses on overall housing need, including consideration of the Standard Method, as well as looking at affordable housing and the needs of specific groups – see further details below.	Published

Chelmsford City Council Local Plan Review Housing Topic Paper

Document	Summary	Status
Gypsy and Traveller Accommodation Assessment (2024)	An assessment of the accommodation needs of Gypsy's and Travellers for the plan period 2023 – 2041 – see further details below.	Not yet published
V001: Chelmsford Local Plan Viability Update	This viability work assesses the cumulative impact of policies on planned development. The assessment models various levels of policy requirements on several different typologies of development – see further details below.	Published
Housing Trajectory (April 2023).	Annual development completions and forecast completions by growth area and tenures for the plan period.	Published
Five Year Land Supply Position Statement (April 2023).	The calculation of the housing five year land supply using the latest housing site schedule.	Published
Five Year Land Supply Methodology (April 2023).	A practice note setting out how the Council calculates its five year housing land supply.	Published
Housing Windfall Assessment (April 2023).	A practice note setting out the Council calculates a housing windfall allowance to be included in its Housing Trajectory and Five Year Housing Land Supply.	Published
Brownfield Land Register (April 2023).	A register of brownfield sites in the Chelmsford area that may be suitable for development.	Published
SHELAA Annual Report (2023).	The Strategic Housing and Employment Land Availability Assessment includes several different documents that explain the methodology and assessment criteria used, as well of the assessment outputs of each site.	Published

Document	Summary	Status
Authority Monitoring Report (April 2022 – March 2023)	A report monitoring the production of the Council's Local Plan Documents against the Local Development Scheme and the performance and effectiveness of the Council's planning policies in delivering the key objectives of the Local Plan.	Published
OSP003: Preferred Options Local Plan Form and Contents Checklist 2024	Compares the PO Local Plan against key requirements of the NPPF	Published

Strategic Housing Needs Assessment (October 2023)

- 3.34. The Strategic Housing Needs Assessment (SHNA) (2023) studies the overall housing need set against the NPPF and the framework of National Planning Practice Guidance, specifically the Standard Method for assessing housing need. It shows a need for 955 dwellings per annum based on household growth of 631 per annum and an uplift for affordability of 51%.
- 3.35. The SHNA (2023) considers whether there are exceptional circumstances to move away from the Standard Method in either an upward or downward direction. The assessment considers whether more recent demographic trends, including 2021 Census data and ONS mid-year population estimates up to 2021 are substantially different to the 2014-based projections. The assessment notes that whilst there are differences these are not considered to be substantial and do not point to any exceptional circumstances.
- 3.36. The SHNA (2023) reviews past build rates as areas with strong growth might be able to provide more homes than the Standard Method. Whilst delivery has been strong in Chelmsford, the assessment concludes that past build rates do not provide any evidence to suggest a higher or lower figure than the Standard Method.
- 3.37. The Standard Method projection was used to look at potential changes to the resident labour supply and the number of additional jobs that might be supported. Overall, it was projected the labour supply would increase by around 21% over the 2022-41 period and that this could support around 21,000 additional jobs – this is above an economic forecast (just over 12,400 jobs for the same period) and again points to there being no need to plan for housing in addition to the Standard Method.
- 3.38. The SHNA (2023) suggests a need for 623 affordable homes per annum across the City Council area. The assessment concludes that whilst there is a notable need for affordable housing, and provision of new affordable housing is an important and pressing issue in the area, this high figure does not point to any requirement for the Council to increase the Local Plan housing requirement as many of those assessed as having an affordable housing need are already in housing and therefore do not generate a net additional need for a home.
- 3.39. The SHNA (2023) reviews a range of affordable housing products available to meet housing need. It concludes that there is a need for both social and affordable rented housing and

social rents should be prioritised where delivery does not prejudice the overall delivery of affordable homes. It recommends the Council seeks a 75:25 split between rented and affordable home ownership (30% of all housing:10% of all housing) but notes that the amount of affordable housing delivered is limited to the amount that can viably be provided.

- 3.40. The SHNA (2023) sets out that there are a range of factors which will influence demand for different sizes of homes, including demographic changes; future growth in real earnings and households' ability to save; economic performance and housing affordability. In all sectors the analysis points to a particular need for 2-bedroom accommodation, with varying proportions of 1-bedroom and 3+-bedroom homes. For rented affordable housing there is a clear need for a range of different sizes of homes, including 40% of general needs housing to have at least 3-bedrooms.
- 3.41. Based on the range recommended in the SHNA (2023) and considering the role the delivery of larger affordable homes for rent can play in releasing a supply of smaller properties for other households, the following mix is now considered appropriate for affordable housing for rent: 25% 1 bedroom, 35% 2 bedroom, 30% 3 bedroom and 10% 4 bedrooms.
- 3.42. In terms of specific housing needs other than affordable housing, the SHNA (2023) notes that the older person population is projected to increase notably moving forward. The assessment concludes that an ageing population means that the number of people with disabilities is likely to increase substantially.
- 3.43. Since the publication of the SHNA (2023), the National Planning Policy Framework has expanded references to the types of older persons accommodation that is needed for older people. The demographic estimates of need for these types of older persons accommodation are identified in the SHNA (2023).
- 3.44. The SHNA (2023) has not attempted to estimate the need for additional private rented housing. It is likely that the decision of households as to whether to buy or rent a home in the open market is dependent on several factors which mean that demand can fluctuate over time; this would include mortgage lending practices and the availability of Housing Benefit.
- 3.45. The SHNA (2023) recommends the Council continues with the current approach to custom and self-build housing.

Gypsy and Traveller Accommodation Assessment (2024)

- 3.46. The provisional findings of the Gypsy and Traveller Accommodation Assessment that covers the period 2023 to 2041 identifies a requirement for a range of between 36 and 77 Gypsy and Traveller pitches and 25 nomadic Travelling Showpeople plots to be developed by 2041 within Chelmsford.

Local Plan Viability Report (2023)

- 3.47. The Local Plan Viability Report (2023) tests the high-level viability of different typologies of development sites that could come forward through Local Plan allocations through multiple development appraisals. Several sets of appraisals have been run, including a varied affordable housing requirement, varied levels of environmental standards and varied developer contributions.

- 3.48. The appraisals use the residual valuation approach. They assess the value of a site after considering the costs of development, the likely income from sales and/or rents and a developers' return. The Residual Value represents the maximum bid for the site where the payment is made in a single tranche on the acquisition of a site. For the proposed development to be viable, it is necessary for this Residual Value to exceed the Existing Use Value (EUV) by a satisfactory margin, being the Benchmark Land Value (BLV).
- 3.49. The Base appraisals in the Local Plan Viability Report (2023) reflect the Council's current policy requirement, updated for national changes. These show that across the greenfield sites, the Residual Value exceeds the BLV in all cases, suggesting that such development is likely to be viable on the basis tested.
- 3.50. On brownfield sites within Chelmsford and the wider Borough, the Residual Value is generally above the BLV, suggesting that such development is likely to be viable. The exception is in relation to flatted development which is most likely to come forward in central Chelmsford. This is not shown as viable with the Residual Value being less than the BLV, and for the higher density typologies, less than the EUV. Whilst the value attributed to flatted development is significantly greater than for housing development, this is more than offset by the greater costs associated with flatted development and the necessity to reflect the circulation space (stairs and lifts) in the modelling.
- 3.51. The values in the South Woodham Ferrers area are less than in the wider Borough and the Residual Values are proportionately less than in the wider Borough. In this area greenfield development is shown as viable but brownfield development (housing and flats) is not.
- 3.52. The Local Plan Viability Report (2023) modelling includes the 7 potential strategic sites. On all these the Residual Value exceeds the BLV suggesting that these are likely to be forthcoming.
- 3.53. The Local Plan Viability Report (2023) appraisals assume developer contributions and CIL. On the potential strategic sites, these vary from £25,000 per unit to £50,000 per unit (in addition to CIL). As and when the actual strategic sites are identified and modelled, it will be necessary to test them against their strategic infrastructure and mitigation requirements identified through the Infrastructure Delivery Plan (IDP).
- 3.54. The analysis showed that, on average, assuming 35% affordable housing, across the typologies, the Residual Value is about £110,000/ha less where the affordable housing for rent is provided as Social Rent, rather than Affordable Rent. This is a significant difference that has the impact of reducing the scope for affordable housing provision by about 5% overall, although the impact varies considerably across the different typologies.
- 3.55. In the Local Plan Viability Report (2023) a range of developer contribution costs ranging from £0 to £60,000 per unit has been tested against 0% to 45% affordable housing requirements.
- 3.56. In the Local Plan Viability Report (2023) the effects of affordable housing and developer contributions are tested in three scenarios:

Figure 7: Extract of scenarios tested in the Local Plan Viability Report

	Lower Requirements	Mid Requirements	Higher Requirements
	Being as per the minimum existing and emerging national standards		Including most of the items tested
Biodiversity Net Gain	10%	20%	20%
Carbon and Energy	2025 Part L	Zero Carbon	Zero Carbon
Accessibility	100% M4(2) Accessible & Adaptable	95% M4(2) - Accessible & Adaptable 5% M4(3)a Wheelchair Adaptable	95% M4(2) Accessible & Adaptable 5% M4(3)b Wheelchair Accessible
Water Standard	Enhanced Building Regulations	Enhanced Building Regulations	Enhanced Building Regulations with Rainwater Harvesting
CIL	As adopted	As adopted	As adopted

Issues and options Consultation Feedback

3.57. The Review of the Local Plan Issues and Options document was published for consultation between August and October 2022. A total of 1,178 responses were received from 711 respondents. The 'You Said We Did' (YSWD) Feedback Report, available via www.chelmsford.gov.uk/lp-review, sets out the main issues raised in the representations received, a summary of how the Preferred Options Local Plan has been informed by the comments and the plan evidence base. Main issues raised in the consultation responses include:

- Support for the use of the Standard Method but representations both supporting and disputing the amount, need and justification for any additional housing above this output
- Representations to increase the Housing Requirement to meet specific housing needs
- Support for the housing supply buffer as well as representations querying the justification for a supply buffer in addition to a Housing Requirement buffer.
- Representations stating that exception site developments aren't a good idea but others suggesting they should be applied in more rural areas
- Support for 10% of the housing requirement being on small sites
- Support for a higher affordable housing requirement if viable
- Support for specialist residential accommodation allocations for older people and other specific housing needs where evidenced
- Representations for greater flexibility in the housing market mix.

Local Plan Approach

3.58. The SHNA (2023) concludes that the Standard Method is a reasonable assessment of

housing need for Chelmsford. The Standard Method exceeds the Housing Requirement in the adopted plan by 150 homes per annum, 955 homes per year as of April 2023. Since the national standard method was first published in 2018, the average annual minimum housing need figure has been 953 homes per annum.

- 3.59. To plan to meet only the minimum local housing need figure produced by the national standard method would not significantly boost the supply of homes and potentially impacts on the Council's ability to meet housing needed for specific groups.
- 3.60. The City Council declared a housing crisis in Chelmsford in February 2022 and levels of homelessness continue to rise. Consequently, the Council continues to propose a Housing Requirement figure of 1,000 homes per annum for the plan period 2022-2041 to address rising levels of homelessness within the administrative area of the City Council. In turn it is hoped that the higher Housing Requirement figure will also assist in reducing the associated reliance on temporary accommodation for these households.
- 3.61. In addition, the figure of 1,000 homes per annum also addresses the variation in the calculation of the Standard Method and protects against this being a minimum figure.
- 3.62. Historically the Council has included a housing supply buffer of between 16 – 18% across different Local Plan periods. Over longer periods of time, housing delivery has not achieved the Housing Requirement inclusive of the buffer.

Figure 8: Housing buffer and completions during Local Plan periods

Delivery Plan Period	Target	Supply	Difference	Actual Performance %
2001-2013 (16% Buffer)	8400	6435	-1965	77%
2013-2023 (18% Buffer)	8050	8703	+653	108%
2001-2023	16450	15238	-1312	92%

- 3.63. To maintain flexibility and ensure sufficient supply of sites throughout the plan period, it is proposed to retain close to a 20% supply buffer in Policy S6 (Housing and Employment Requirements).
- 3.64. Provision is made for 22,567 new homes during the period 2022-2041 however when allowance is made for existing housing completions, existing planning permissions, existing Local Plan allocations to 2036 and windfall projections the residual new Local Plan Allocations for the period to 2041 is 3,862 new homes. The range of site allocations, including new sites, is set out in Policy S7 (The Spatial Strategy):

Figure 9: Housing Supply at 2022/23

Total completions, allocations, permissions, windfall	18,705
New Local Plan Review Allocations	3,862
Total	22,567

3.65. The Preferred Options Local Plan includes sites to accommodate around 5% (around 1,000 homes) of the housing requirement on sites no larger than one hectare. It is not possible to achieve 10% in part due to a lack of suitable promoted sites within the preferred Spatial Strategy area. At the close of the consultation on the Preferred Options Local Plan, the Council will review any new and amended sites submitted through the current [call for sites](#) to see it is possible to achieve more than 5% of the housing requirement on sites no larger than one hectare within the preferred Spatial Strategy area.

3.66. The following policy obligations were included in the Local Plan Viability Report (2023) for mainstream housing to support the Preferred Options Local Plan Review consultation document:

- 35% Affordable Housing – consisting of 24.5% affordable housing for rent/8.75% First Homes/1.75% shared ownership housing.
- 98% of all dwellings built to meet Part M Category (Accessible and adaptable dwellings) M4 (2) of Schedule 1 (para 1) to the Building Regulations 2010 (as amended)
- 5% of affordable housing built to meet Part M Category (Wheelchair user dwellings) M4 (3) (2) (b) of schedule 1 (para 1) to the Building Regulations 2010 (as amended)
- Water efficiency standard at enhanced Building Regulations and rainwater harvesting.
- Net Zero carbon emissions on all development sites.
- 10% Biodiversity net gain on all development sites.

3.67. The proportion of affordable housing for rent in Policy DM2 (Affordable Housing and Exception Sites) has been increased to address priority housing needs, without affecting the overall viability of development.

3.68. The Reasoned Justification now includes the mix of affordable homes for rent that reflects the SHNA (2023) and the need to prioritise larger affordable homes for rent to maintain churn in the existing affordable housing for rent stock.

3.69. A dwelling mix for affordable housing for rent was previously included in the Planning Obligations Supplementary Planning Document but is considered critical to address the priority affordable housing needs of the administrative area so has now been included in the Reasoned Justification and will be closely monitored in the Annual Monitoring Report.

3.70. Other text previously included in the Planning Obligations Supplementary Planning Document and published Planning Advice Notes have also been included or signposted in the Reasoned Justification for Policy DM2 (Affordable Housing and Exception Sites) and DM1 (Size and Type of Housing), where appropriate.

3.71. The threshold in Policy DM2 (Affordable Housing and Exception Sites) has been reduced to

comply with the NPPF definition of Major Development. The Local Plan Viability Report (2023) demonstrates that the threshold and the amount and type of affordable housing is justified.

- 3.72. Policy DM2 (Affordable Housing and Rural Exception Sites) now includes three exceptional circumstances in which small sites will be released for housing that would not otherwise be released for housing, to accord with the NPPF.
- 3.73. Policy DM1 (Size and Type of Housing) provides the range of housing required considering demographic change. It now includes a percentage range to provide greater flexibility on individual sites and the Reasoned Justification acknowledges site location and area character are also relevant considerations when negotiating the mix of housing types on individual development sites.
- 3.74. The increase in the requirement for new dwellings to achieve requirement Part M, Category 2 (Accessible and adaptable dwellings) M4(2) of Schedule 1 (para 1) to the Building Regulations 2010 (as amended) in Policy DM1 (Size and Type of Housing), from 50% to 100% within all development of 10 or more dwellings, will help to address the fact that the number of people with disabilities is likely to increase substantially with an ageing population.
- 3.75. Policy DM1 (Size and Type of Housing) provides a flexible way to meet a range of Specialist Residential Accommodation needs. The application of this policy still refers to the latest assessments of local housing need to prioritise the greatest housing need for Specialist Residential Accommodation within the plan period.
- 3.76. Before publication of the Pre-Submission Local Plan, the Council will consider whether it would be appropriate to identify a percentage of the housing allocation to meet a range of market older persons accommodation types on the new site allocations.
- 3.77. Policy DM1 (Size and Type of Housing) does not specifically address Build to Rent schemes as the Local Plan Viability Report (2023) shows flatted development of this type is not viable and the SHNA (2023) notes that the need for additional private rented housing is dependent on several factors including mortgage lending practices and the availability of Housing Benefit, which fluctuate over time.
- 3.78. Policy DM1 (Size and Type of Housing) maintains the same approach to custom- and self-build housing in line with the recommendations in the SHNA (2023).
- 3.79. Strategic Policy S7 (The Spatial Strategy) shows 30 new allocations for Gypsy and Traveller pitches and a total of 25 travelling Showpeople plots – an increase of one plot from the adopted Local Plan. The Reasoned Justification notes that the Council will expect to see Gypsy and Traveller Pitches and Travelling Showpeople accommodation provided on all suitable large strategic development allocations.
- 3.80. Policy DM1 Cii (Size and Type of Housing) requires the provision of Specialist Residential Accommodation within all development of more than 100 dwellings. This includes gypsy and traveller needs identified in the Gypsy and Traveller Accommodation Assessment (2024) and not met through site allocations.

- 3.81. The provisional results of the Gypsy and Traveller Accommodation Assessment (2024) that covers the period 2023 to 2041 were provided by the consultant undertaking the assessment prior to the December 2023 revision to the Planning Policy for Traveller Sites. The Council awaits a revised breakdown of the number of Gypsy and Travellers meeting the Planning Policy for Traveller Sites definition in Annex 1 and those that do not meet this definition. When this information is available, further consideration can be given to the number pitches that can be allocated to meet this need and the need that could be met through Policy DM1.
- 3.82. There are four designated neighbourhood areas with plans in progress. The Preferred Options Local Plan continues to set out a housing requirement of 100 new dwellings for Danbury designated neighbourhood area. Broomfield and Boreham are not being considered for new housing growth in the preferred Spatial Strategy. East Hanningfield does fall within the overall strategy options for growth and a housing requirement will be considered if requested by the Neighbourhood Plan body.
- 3.83. Policy S7 (Spatial Strategy) provides support for residential development on private residential gardens where development would not cause harm to the local area and where they are in accordance with other relevant policies of the plan.
- 3.84. The key considerations that have informed the Preferred Options Local Plan consultation document relating to housing matters are summarised below:
- The SHNA (2023) determination that the Standard Method is an appropriate minimum local housing need.
 - The need to plan for more homes to allow for changes in the Standard Method calculation and address the rising homelessness in Chelmsford.
 - The need to maximise the proportion and mix of affordable housing for rent to address priority housing need as evidenced in the SHNA (2023)
 - The need to reduce the threshold for affordable housing and introduce new exception site policies to align with national policy.
 - The need to amend Policy DM1 (Size and Type of Housing) to provide a more flexible market mix, require more dwellings to be accessible and focus the Specialist Residential Requirements on housing need in line with the SHNA (2023) and provisional results of the GTAA.
 - The need to increase the allocations for Gypsy and Traveller and Travelling Showpeople provision in Strategic Policy S7 (The Spatial Strategy) and support residential development on private residential gardens in specific circumstances.

NPPF 2023 Checklist

- 3.85. The Council has reviewed the Preferred Options Local Plan against the requirements of the latest 2023 NPPF. The table below shows that the plan meets the majority of requirements in full in respect to Housing. The full Preferred Options Local Plan Form and Contents Checklist (March 2024) is available at www.chelmsford.gov.uk/lp-review.

Commentary key:

Preferred Options Local Plan meets NPPF requirement

Preferred Options Local Plan partially meets NPPF requirement

Preferred Options Local Plan does not meet NPPF requirement

No.	NPPF Requirement	Para.	Approach in the Preferred Options Local Plan
	<i>Housing</i>		
14	Be informed by a local housing need assessment, conducted using the standard method in national planning guidance as an advisory starting point. Any housing needs which cannot be met within neighbouring areas should also be taken into account when establishing the amount of housing to be planned for within the plan.	61	The plan is informed by an updated Strategic Housing Needs Assessment (SHNA) conducted using the standard method in national planning guidance. Duty to Co-operate engagement will continue to be undertaken to establish if there is any unmet need from neighbouring authorities. Essex authorities have a memorandum of understanding on how any unmet housing need should be addressed. Currently not understood to be any unmet housing need but this will continue to be monitored this through the Duty to Co-operate.
15	Identify the size, type and tenure of housing needed for different groups. Assess a local need for retirement for retirement and care housing provision when considering the housing needs of older people.	63	Policy DM1 includes references to build to rent and all relevant groups to reflect the most up to date evidence base. This policy also reflects published Planning Advice Notes. Local need for such provision is considered in the SHNA. The plan makes provision for homes for older people including in Policy DM1 and site allocation SGS7b. Further work around requiring a specific amount of older people housing on new strategic housing sites is proposed ahead of the Pre-Submission Local Plan.
16	Provision of affordable housing should not be sought for residential developments that are not major development, other than in designated rural areas ⁴ . The definition of major development in the Glossary of the NPPF is	64, 65	Set out in Policy DM2.

⁴ Designated rural areas applies to rural areas described under section 157(1) of the Housing Act 1985, of which there are none in the administrative area of Chelmsford.

No.	NPPF Requirement	Para.	Commentary
	<p>development where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more.</p> <p>Where a need for affordable housing is identified, specify the type of affordable housing required.</p>		
17	<p>Expect at least 10% of the total number of homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups. A minimum of 25% of all affordable homes should be First Homes, subject to the transitional requirements set out in the Planning Practice Guidance.</p>	66	Set out in Policy DM2.
18	<p>Set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations.</p>	67, 68	<p>There are four designated neighbourhood areas with Neighbourhood Plans in progress. The Preferred Options plan continues to set out a housing requirement of 100 new dwellings for Danbury designated neighbourhood area. Broomfield and Boreham are not being considered for new housing growth in the preferred Spatial Strategy. East Hanningfield does fall within the overall strategy options for growth and a housing requirement will be considered if requested by the Neighbourhood Plan body.</p>
19	<p>Identify a supply of specific, deliverable sites for years one to five of the plan period, and specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan.</p>	68	Appendix C and site allocation policies meet this requirement.

No.	NPPF Requirement	Para.	Commentary
20	Identify land to accommodate at least 10% of the housing requirement on sites no larger than one hectare; unless it can be demonstrated that there are strong reasons why the 10% target cannot be achieved.	70	The Preferred Options Local Plan includes sites to accommodate around 5% (around 1,000 homes) of the housing requirement on sites no larger than one hectare. It is not possible to achieve 10% in part due to a lack a suitable promoted sites compliant with the preferred Spatial Strategy area. Also, the Council does not allocate housing sites for under 10 dwellings, which increases the likelihood of windfalls.
21	Seek opportunities, through policies and decisions, to support small sites to come forward for community-led development for housing and self-build and custom-build housing.	70	Policy DM1 enables the provision for self-build and custom-build homes on a range of site sizes. Further details are given in the Self-Build and Custom-Build Planning Advice Note November 2023.
22	Plans should consider the case for setting out policies to resist inappropriate development of residential gardens, for example where development would cause harm to the local area.	72	Addressed in Policy S7.
23	Support the development of exception sites for community-led on sites that would not otherwise be suitable as rural exception sites.	73	Set out in Policy DM2.
24	Support the supply of homes through utilising masterplans, design guides and codes where appropriate to support larger scale developments.	74	Strategic Policy S7 sets out that Strategic Growth Sites require sites to be delivered in accordance with masterplans to be approved by the Council. Relevant site allocation policies refer to the need for a masterplan to be approved as a specific requirement.
25	Include a trajectory illustrating the expected rate of housing delivery over the plan period.	75	Detailed trajectory is included in Appendix C.
26	Be responsive to local circumstances and support rural housing developments that reflect local needs.	82	Set out in Strategic Policy S7 and Policy DM2.

No.	NPPF Requirement	Para.	Commentary
27	Identify opportunities for villages to grow and thrive, especially where this will support local services.	83	Defined Settlement Boundaries (DSBs) allow development to come forward within villages in principle. Strategic Policy S7 allows new growth sites which are in accordance with the Spatial Principles and Strategic Policies to be allocated through relevant Neighbourhood Plans.
28	Avoid the development of isolated homes in the countryside unless specific circumstances are consistent with those set out in the NPPF.	84	Set out in policies including S1 and DM8

3.86. Throughout the Preferred Options Local Plan each policy includes any 'Alternatives considered'. National Planning Practice Guidance (NPPG) makes it clear that a Local Plan reflects sustainability objectives and has considered reasonable alternatives. The alternatives considered have been tested by the Preferred Options Integrated Impact Assessment (IIA), alongside the proposed policies, to help ensure that the Preferred Options plan is justified and is an appropriate strategy, when considered against the alternatives and other available and proportionate evidence. Key alternatives considered in relation to housing include:

- **Not having a Housing Requirement Figure** - the NPPF requires local planning authorities to proactively meet the need for new housing, employment and retail. Local Plans should set a clear strategy for their area to encourage sustainable growth and inward investment.
- **Not having a Spatial Strategy** - would undermine the delivery of the Plan's Vision, Strategic Priorities and create uncertainty and ultimately lead to unplanned and uncoordinated development not supported by necessary infrastructure. It would result in the removal of specified development allocations and the Settlement Hierarchy which guides future planning decisions and promotes sustainable development.
- **Development in the Green Belt** – discounted as sufficient and suitable land is available outside the Green Belt to meet development needs in a sustainable way. It would also undermine the protection of the Green Belt by national planning policy.
- **Development growth in the Green Wedge** - the Green Wedge is a locally important designation following the river valleys which have been enshrined in Chelmsford development plans since 2008 and has helped shape Chelmsford's growth. Changes to the Green Wedge boundaries to allow development growth has been discounted as sufficient and suitable land is available outside the Green Wedge to meet the areas development needs in a sustainable way.
- **Alternative Spatial Strategy:**

Expand the existing development allocations within the adopted Spatial Strategy with further expansion of North East Chelmsford (Chelmsford Garden Community) - this differs from the preferred Spatial Strategy by substituting the proposed new East Chelmsford Garden Community (Hammonds Farm) with further expansion of existing adopted strategic development allocations including North East Chelmsford (Chelmsford Garden Community).

Further expansion at **North West Chelmsford (Location 2)** and **Broomfield (Location 8)** have been rejected due to their impact on and the capacity of the local road network and their relative remoteness from the strategic road network.

Further expansion at **East of Chelmsford (Location 3)** has been rejected due to the need to prevent coalescence with Sandon Village as identified in the adopted Sandon Neighbourhood Plan.

Further expansion at **South Woodham Ferrers (Location 10)** has been rejected due to the impact on and the capacity of the strategic and local road network and capacity limits of the wastewater recycling facilities serving the area.

Further expansion of **Great Leighs (Location 7)** has been rejected due to landscape capacity and sensitivity concerns and the capacity limits of the wastewater recycling facilities serving the area.

Further expansion of **North East Chelmsford (Chelmsford Garden Community - Location 6)** has been discounted as promoted development sites are not deliverable within the plan period given permitted mineral extraction and land remediation works.

Growth along transport corridors at Chatham Green, Boreham, Howe Green and Rettendon - this differs from the preferred Spatial Strategy by substituting the East Chelmsford Garden Community with growth at Chatham Green and expansion of Boreham, Howe Green and Rettendon Common.

Chatham Green has been rejected due to its relative isolation from existing services and facilities which would lead to higher reliance on the use of the private car, landscape capacity and sensitivity concerns and capacity limits at the wastewater recycling facilities serving the area.

Boreham has been rejected due to the impact on the local road network, landscape capacity and sensitivity concerns and uncertainty whether the promoted development would generate the need for a new primary school given the acute lack of existing primary school capacity.

Howe Green has been rejected given its relative isolation from existing services and facilities which would lead to higher reliance on the use of the private car, the impact on the local road network and the lack of strategic highway capacity at Junction 17 of the A12.

Rettendon Common has been rejected given its relative isolation from existing services and facilities and the strategic road and transport network which would lead to higher reliance on the use of the private car.

Rettendon Place has been rejected given the settlement is constrained by the Green Belt to south and west, its relative isolation from existing services and facilities which would lead to higher reliance on the use of the private car and landscape capacity and sensitivity concerns.

Other Key Service and Service Settlements outside the Green Belt - the preferred Spatial Strategy allocates small housing sites at Ford End, East Hanningfield and Bicknacre and an allocation of around 100 new homes at Danbury being allocated through the Danbury Neighbourhood Plan.

Great Waltham has been rejected as no sites with a capacity of 10 or more homes have been promoted.

Little Waltham has been rejected as promoted sites either fall within the Green Wedge, have a negative impact on the local highway network, would not support the provision of a new primary school and/or create coalescence with the development at Chelmsford Garden Community.

Woodham Ferrers has been rejected as no sites are promoted which are adjacent to the settlement boundary.

- **Alternative threshold and percentages for Policy DM1 (Size and Type of Housing)** - the site / size threshold for DM1 A is considered appropriate as it applies to major development, and it would be disproportionate to apply it to smaller development. The latest available evidence suggests the amounts and thresholds in Policies DM1 B and DM1 C)ii are justified and supported through viability testing. To amend these could result in sites either being unviable for development or an unjustified overall reduction in affordable housing. The latest available evidence suggests the percentage in Policy DM1 C)i will meet the identified need.
- **Alternative threshold sizes and percentages for Policy DM2 (Affordable Housing and Exception Sites)** – the latest available evidence suggests the amount and thresholds are justified and supported through viability testing. To amend these could result in sites being unviable for development.
- **Give weight to all planning applications from Gypsies, Travellers and Travelling Showpeople** – this would not prioritise Gypsies, Travellers and Travelling Showpeople that meet the Government’s Planning Policy for Traveller Sites (PPTS) definition.

4. Next Steps

- 4.1. This Topic Paper will be updated and expanded on following feedback to the Preferred Options consultation and progress of further evidence-based documents. This includes the final Gypsy and Traveller Accommodation Assessment, the full Infrastructure Development Plan, an updated Local Plan Viability Assessment, and updated housing supply information / assessments. An updated Topic Paper will then be published at the next stage of Local Plan Consultation (Pre-Submission) setting out the progress made and the reasoning behind the proposals in the Pre-Submission Consultation Document.

Appendix 1 - Housing Issues and Options Topic Paper

Chelmsford Local Plan

Review of the adopted Local
Plan

Issues and Options

Topic Paper:

Housing

August 2022



1. Purpose

- 1.1. This Topic Paper is one of a number produced by Chelmsford City Council to set out how the review of the adopted Local Plan has been developed. Topic papers will be refreshed and updated at each stage of the review of the adopted Local Plan process to ensure the latest information/position is available. This will avoid confusion and duplication and the latest topic paper will supersede any previous versions.
- 1.2. The intention of the topic papers is to provide background information; they do not contain any policies, proposals or site allocations. Topic papers will form part of the Local Plan evidence base which will be submitted alongside the Local Plan for independent examination.
- 1.3. This paper covers how housing matters have been considered when preparing the review of the adopted Local Plan and how the Review will seek to provide sustainable patterns of development through a Spatial Strategy that meets the need for new homes.
- 1.4. The Topic Paper provides background information and context of how the Local Plan has been formulated. This Topic Paper should be read alongside the other Topic Papers produced, in particular:
 - Infrastructure - covers infrastructure needs to support the Local Plan and how requirements and delivery of various pieces of infrastructure will be provided for in the Review of the Adopted Local Plan.
 - Employment – covers how employment matters and requirements have been considered when preparing the Review of the Adopted Local Plan.
 - Transport – covers how transport matters and transport impacts have been considered when preparing the Review of the Adopted Local Plan.
- 1.5. The main issues covered by this Topic Paper are:

**Strategic Priority 2 - Meeting the Need for New homes; and
Strategy Policy S6 – Housing and Employment Requirements, including:**

- The minimum number of homes needed.
- The size, type and tenure of housing needed for different groups in the community.
- The achievability and effectiveness of existing housing policies in decision-making.
- New corporate priorities and strategies.

**Strategic Priority 1 – Ensuring sustainable patterns of development; and
Spatial Policy S7 – The Spatial Strategy, including:**

- Housing supply.
- The mix of sites in the development plan.
- Maintaining supply and delivery through the development plan period.

2. Background

- 2.1. The size of the local population and household formation rates affect the demand for housing. Need for new housing arises when population growth leads to new households forming.
- 2.2. The local labour market affects a household's ability to access housing and affordability pressures can prevent people accessing the housing they need.
- 2.3. There is a backlog of need among people currently living in unsuitable accommodation. When people are unable to access suitable housing it can result in overcrowding, more young people living with their parents for longer, impaired labour mobility and increased levels of homelessness.

Population

- 2.4. The 2021 Census results reveal the actual resident population in Chelmsford was 181,500 in 2021 – an increase of 7.8% from around 168,300 in 2011. This is higher than the overall increase for England (6.6%) but slightly lower than the East of England (8.3%). The East of England is the English region with the largest population increase, which grew by around 488,000 more residents. The largest increases in the East of England have been seen in Bedford and Cambridge, where the populations have grown by 17.7% and 17.6% respectively.
- 2.5. The 2021 Census figure for population density in Chelmsford was 536 people per sq km. The figure for England remains at 434 people per sq km whilst the figure for the East of England is much lower – 331 people per sq km in the 2021 Census. Chelmsford is the 21st most densely populated of the East of England's 45 local authority areas, with around four people living on each football pitch-sized area of land.
- 2.6. In England, the largest age group in the 2021 Census was people aged 30 to 34, compared to 50 to 54 in the East of England and Chelmsford.
- 2.7. Overall, in England, there has been an increase of 20.1% in people aged 65 years and over, an increase of 3.6% in people aged 15 to 64 years, and an increase of 5.0% in children aged under 15 years since the 2011 Census. In Chelmsford, the comparison changes are an increase of 26.0% in people aged 65 years and over, an increase of 3.3% in people aged 15 to 64 years, and an increase of 8.3% in children aged under 15 years since the 2011 Census.
- 2.8. The largest population change by age group in Chelmsford from the 2011 Census to the 2021 Census has been the increase in people aged 70 to 74 (50%), followed by the number of people aged 90+ (41%).

Number of households

- 2.9. Demographic changes also shape the type and size of accommodation needed.
- 2.10. The 2018-based household projections indicated that the number of households in Chelmsford has increased by 7.8% since 2013, reaching 75,961 households in 2022. This compares to an increase in the East of England of 7.3% and a national increase of 7.1%.
- 2.11. The number of households recorded in the 2021 Census was 75,400 – close to the 2018-based projection figure for 2022.
- 2.12. The 2018-based household projections indicated that the household population in Chelmsford has increased at approximately the same rate as the number of households between 2018 and 2023, resulting in the average household size remaining very similar – 2.39 in 2018 and 2.38 in 2023. However, at the national level the household population has risen at a lower rate than the number of households, resulting in a falling average household size from 2.37 to 2.35 in the same period.
- 2.13. The most common household in 2018 was households with two or more adults (43.52%). This trend is set to continue into 2043 with, with two or more adult households forming 44.33% of households in Chelmsford.
- 2.14. More population and migration data from the Census 2021 is expected to be published later in 2022, to provide a more complete picture of change and estimates of growth.

Income

- 2.15. Income has a significant effect on the level of choice a household has when seeking accommodation. The median earned gross income for full-time employees' resident in Chelmsford (individual incomes rather than household incomes) in 2020 was £35,023, according to the ONS Annual Survey of Hours and Earnings. This was marginally higher than the East of England regional figure of £35,002 and above the national median figure of £31,780.
- 2.16. Since 2013, the median income of full-time employees' resident in Chelmsford has increased by 15.92%. This increase is slightly below the increase in the East of England (16.33%) and across England (16.09%). However, the 2021 provisional median earned gross income for full-time employees' resident in Chelmsford, shows an increase of 6.6% from the 2020 ONS figures but an annual decrease of 2.3 percent across the East of England and an annual decrease of 0.9% across England. The figures for the Chelmsford are based on a smaller sample so are more prone to annual change than regional and national equivalents.

Housing Affordability

- 2.17. Table I below shows the rise in average house prices in Chelmsford between 2012/13 – 2020/21. The rate of increase is far higher than the increase in the median income of full-time employees in Chelmsford across the same period, ranging between 37.22% for detached dwellings and 63.28% for flats.

Table 1 – Average House Prices in Chelmsford by Building Type

Year	Detached	Semi	Terraced	Flat
2012/13	£404,922	£258,000	£212,446	£127,458
2013/14	£379,593	£270,670	£220,632	£151,564
2014/15	£488,390	£302,770	£289,962	£187,233
2015/16	£573,612	£351,063	£303,782	£222,849
2016/17	£565,819	£367,692	£341,372	£219,704
2017/18	£553,859	£351,968	£314,908	£205,764
2018/19	£620,466	£382, 255	£331,872	£230,529
2019/20	£547,214	£402,926	£332,500	£208,008
2020/21	£555,620	£410,319	£339,757	£208,109

Source: Valuation Office Agency 2021

- 2.18. The ratio of median housing price to median gross annual workplace-based earnings in March 2021 in Chelmsford was 11.781, compared to 8.17 in 2013. In comparison, the affordability ratio in 2021 in the East of England was 10.53, whilst the ratio for England was 9.05.

Deprivation

- 2.19. Chelmsford is ranked one of the least deprived local authorities in England with one of the lowest average proportion of households in poverty within Essex. However, there are pockets of deprivation across Chelmsford, including Waterhouse Farm which has fallen 3 deciles (8th to 5th) between the 2007 and 2019 Indices of Multiple Deprivation.

Housing Supply

- 2.20. Residential land supply is a key contributing factor in housing affordability. The Department for Levelling Up, Housing and Communities and Ministry of Housing Communities and Local Government live tables indicates that there were approximately 78,000 dwellings in Chelmsford in 2020.
- 2.21. Since 2013, there have been 7,881 net new dwellings built in Chelmsford. The average annual completion rate is 876 dwellings per annum, which is above the Housing Requirement in the adopted Local Plan (2020) of 805 per annum. From the base date of the adopted Local Plan (2013/2014), the Council has an oversupply of 636 dwellings as at the 31 March 2022.
- 2.22. Using the Housing Requirement number of 805 dwellings per annum, the City Council can demonstrate a suitable supply of deliverable sites for housing for 7.39 years. This figure includes a 5% buffer to ensure choice and competition in the market for land.
- 2.23. The Housing Delivery Test 2021 measurement, published in January 2022 by the Department for Levelling Up, Housing and Communities, shows that Chelmsford exceeded the Housing Delivery Test Threshold by 40%, therefore no further buffer is required.

¹ Using the 23 March 2022 data release House Price workplace-based earnings ratio 2021 figure

3. Issues and Options

F Policy Context

National Policy

- 3.1. All policies in the Local Plan must be positively prepared, justified, effective and consistent with national policy. The National Planning Policy Framework (NPPF) sets out the overarching planning policy framework, supported by National Planning Practice Guidance (PPG).
- 3.2. The adopted Local Plan (2020) was examined under the 2012 National Planning Policy Framework (NPPF). There have subsequently been updates to the NPPF and the review of the adopted Local Plan needs to be considered against the requirements of the 2021 NPPF.
- 3.3. Although some areas of the NPPF remain unchanged in respect of housing provision, any new development proposals and policies will still need to be tested against the relevant NPPF requirements. There are also some areas of the NPPF which have been updated/amended since the adoption of the Local Plan that will need to be reflected.
- 3.4. Since the adoption of the Local Plan, a national standard method has been introduced for assessing local housing need by Government. The national standard method uses a formula to identify the minimum number of homes expected to be planned for, in a way which addresses projected household growth and historic under-supply. The national standard method identifies a minimum annual housing need figure, it does not produce a housing requirement figure. The Council will need to commission a Strategic Housing Needs Assessment to determine this.
- 3.5. The national standard method uses national household growth projections calculated over a 10-year period as a baseline. It then adjusts the baseline to take account of affordability in an area using median workplace-based affordability ratios published by the Office for National Statistics. A cap is then applied which limits the increases an individual local authority can face. How this is calculated depends on the status of the existing strategic policies for housing.
- 3.6. As of April 2022, the local housing need figure for Chelmsford using the national standard method is 946 net new homes per annum:

	The average annual housing requirement figure in existing policies	805
Step 1	Average annual household growth over 10 years ¹	636
Step 2	Adjusted minimum annual local housing need figure ²	946
Step 3	Capped figure $(805 + (40\% \times 805) = 805 + 322 = 1127)$	1127

- 3.7. As the capped figure is greater than the minimum local housing need figure and does not limit the increase to the local authority's minimum annual housing need figure, the minimum figure for Chelmsford using the national standard method is currently 946 net new homes per annum.
- 3.8. The national standard method for assessing local housing need identifies an overall minimum average annual housing need figure but does not break this down into the housing need of individual groups. Local authorities need to consider the extent to which the identified needs of specific groups can be addressed in the area considering:
- 3.8.1. the overall level of need identified using the national standard method and whether the evidence suggests that a higher level of need ought to be considered
 - 3.8.2. the extent to which the overall housing need can be translated into a housing requirement figure for the plan period
 - 3.8.3. the anticipated deliverability of different forms of provision, having regard to viability.
- 3.9. This need may well exceed, or be proportionally high in relation to, the overall housing need figure calculated using the national standard method. This is because the needs of groups will often be calculated having consideration to the whole population of an area as a baseline, as opposed to the projected new households which forms the baseline for the national standard method.
- 3.10. Paragraph 69 of the NPPF requires the Local Plan to identify land to accommodate at least 10% of the housing requirement on sites no larger than one hectare; unless it can be demonstrated that there are strong reasons why this cannot be achieved.
- 3.11. The adopted Local Plan did not need to meet this requirement as it was adopted before the latest NPPF was published. This will be addressed in the review of the adopted Local Plan unless there is strong evidence to justify why this cannot be achieved.
- 3.12. In May 2021, the Government published a Written Ministerial Statement that set out plans for delivery of a new type of affordable homes ownership product called First Homes. First Homes are a specific kind of discounted market sale housing which national planning policy states should account for a minimum 25% of affordable housing secured through planning obligations.
- 3.13. In January 2022, the Council published a First Homes Planning Advice Note clarifying:
- What a policy compliant affordable housing requirement on developments of 11 or more dwellings is following the implementation of the First Homes Written Ministerial Statement
 - The Council's position regarding those elements of the national criteria that can be amended by local authorities relating to the homes and purchasers of First Homes.
 - The Council's interpretation and position regarding First Homes Exceptions Sites.

- 3.14. The First Homes Advice Note will need to be considered in the review of Local Plan Policy DM2 relating to affordable housing.
- 3.15. The table below sets out the key issues to be considered at this Regulation 18 Issues and Options Stage. The table below assesses the adopted Local Plan against the key NPPF requirements in respect of housing and Plan making and identifies Chelmsford City Council's assessment of the adopted Local Plan's compliance with the 2021 NPPF. The proposed approach to the review of the adopted Local Plan is then set out using the following colour codes:

The following quick reference colour codes in **column A** helpfully identify new or revised NPPF requirements since the adoption of your plan (which was examined under 2012 NPPF):

Key:

New plan-making requirement of the NPPF 2019 and/or NPPF 2021 not contained within the previous 2012 version
Revised plan-making requirement of the NPPF, containing some changes from the 2012 version
Requirement of the NPPF which has not changed from the 2012 version in relation to plan-making

Column C then assesses the adopted Local Plan against the NPPF requirements and identifies CCC's assessment of the adopted Local Plan's compliance with the 2021 NPPF using the following colour codes:

Key:

Adopted Local Plan meets NPPF requirement
Adopted Local Plan partially meets NPPF requirement
Adopted Local Plan does not meet NPPF requirement

Table 2 - NPPF Compliance Checklist – Delivering a Sufficient Supply of Homes

	A. NPPF Requirement	B. NPPF Paragraph Reference	C. Local Plan Approach
1.	Be informed by a local housing need assessment, conducted using the standard method in national planning guidance as a starting point. Any housing needs which cannot be met within neighbouring areas should also be considered when establishing the amount of housing to be planned for within the plan.	NPPF Para 61	The standard method was introduced following adoption of the Local Plan, so the review needs to be reassessed and updated to reflect this change. Duty to Co-operate engagement will continue to establish if there is any unmet need from neighbouring authorities. Essex authorities have a memorandum of understanding on how any unmet housing need should be addressed and this continues to be followed. Currently not understood to be any unmet housing need but need to continue to review this position formally through the Duty to Co-operate.
2.	Identify the size, type and tenure of housing needed for different groups.	NPPF Para 62	Mostly applied in adopted Local Plan (Policy DM1), need to ensure <u>build to rent</u> is considered and any amendments through the review continue to consider all relevant groups and reflect the most up to date evidence base. Need to reflect the Planning Advice Note on <u>Specialist Residential Accommodation</u> .
3.	Provision of affordable housing should not be sought for residential developments that are not major development, other than in designated rural areas ² . The definition of major development in the Glossary of the NPPF is development where 10 or more homes will be provided, or the site has an area of 0.5 hectares or more. Where a need for affordable housing is identified, specify the type of affordable housing required.	NPPF Para 63	Need to review the threshold on which developers are obligated to provide affordable housing as per the revised NPPF definition of major development. Set out in adopted Local Plan (Policy DM2). Need to ensure any amendments through the review continue to do so and reflect the most up to date evidence base. Need to incorporate Planning Advice Notes on <u>First Homes</u> and <u>Housing Additionality: Affordable Housing for Rent</u> .

² Designated rural areas applies to rural areas described under section 157(1) of the Housing Act 1985, of which there are none in the administrative area of Chelmsford.

4.	Expect at least 10% of the total number of homes to be available for affordable home ownership, unless this would exceed the level of affordable housing required in the area, or significantly prejudice the ability to meet the identified affordable housing needs of specific groups. A minimum of 25% of all affordable homes should be First Homes.	NPPF Para 65	The Local Plan does meet the 10% requirement but needs to be reviewed to incorporate the Planning Advice Note on <u>First Homes</u> and reflect the most up to date evidence base.
5.	Set out a housing requirement for designated neighbourhood areas which reflects the overall strategy for the pattern and scale of development and any relevant allocations.	NPPF Para 66	The Local Plan does not set out housing requirements for designated neighbourhood areas. Consider any designated neighbourhood areas which fall within the overall strategy options for growth and set a housing requirement for these areas if appropriate.
6.	Identify a supply of specific, deliverable sites for years one to five of the plan period, and specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15 of the plan.	NPPF Para 68	Appendix C and site allocation policies of the adopted Local Plan meets this requirement. Existing trajectories and all existing sites have been reviewed to ensure they meet with the definition of 'deliverable' and 'developable' in the Glossary of the NPPF. The same will apply to all new site allocations.
7.	Identify land to accommodate at least 10% of the housing requirement on sites no larger than one hectare; unless it can be demonstrated that there are strong reasons why the 10% target cannot be achieved.	NPPF Para 69	Need to consider whether the Local Plan meets this requirement and ensure that the review plan does unless there is strong evidence to justify why this cannot be achieved.
8.	Support the development of entry level exception sites, suitable for first time buyers, unless the need for such homes is already being met within the authority's area.	NPPF Para 72	Guidance on First Homes Exception Sites set out in the Planning Advice Note on <u>First Homes</u> . Needs to be incorporated into the review of the Local Plan and reflect the Written Ministerial Statement of the 24 May 2021 ³ .
9.	Support the supply of homes through utilising masterplans, design guides and codes where appropriate to support larger scale developments.	NPPF Para 73	Strategic Policy S7 sets out that Strategic Growth Sites require sites to be delivered in accordance with Masterplans to be approved by the Council. The relevant site allocations also each refer to the need for a masterplan to be approved as part of the

³ <https://questions-statements.parliament.uk/written-statements/detail/2021-05-24/hlws48>

			specific requirements for each site. This approach will continue for any new Strategic Site Allocations included as part of the review.
10.	Include a trajectory illustrating the expected rate of housing delivery over the plan period and requiring a buffer of 10% where the local planning authority wishes to demonstrate a five-year supply of deliverable sites through an annual position statement or recently adopted plan.	NPPF Para 74	Detailed trajectory is included in adopted Plan and will be kept updated and published every <u>April</u> . The trajectory will be reviewed for all existing and any new sites and set out calculations to include a 10% buffer if review wishes to demonstrate a <u>five year supply of deliverable sites</u> through an annual position statement or upon adoption of the reviewed plan.
11.	Be responsive to local circumstances and support rural housing developments that reflect local needs.	NPPF Para 78	Set out in adopted Local Plan (Strategic Policy S7, Policy DM2). Need to ensure any amendments through the review continue to do so. Need to incorporate <u>First Homes</u> Planning Advice Note in respect of First Homes Exception Sites.
12.	Identify opportunities for villages to grow and thrive, especially where this will support local services.	NPPF Para 79	Defined Settlement Boundaries (DSBs) allow development to come forward within villages in principle. S7 allows new growth sites which are in accordance with the Local Plan Spatial Principles and Strategic Policies to be allocated through relevant Neighbourhood Plans. Need to ensure any amendments through the review continue to do so.
13.	Avoid the development of isolated homes in the countryside unless specific circumstances are consistent with those set out in the NPPF.	NPPF Para 80	Set out in adopted Local Plan (Strategic Policies S1, S3, S4, S11 Policies DM6 to DM15). Need to review wording of paragraph 80 of NPPF to ensure all policy wording is up to date for all criteria a) to e) of paragraph 80 and ensure any amendments through the review continue to be NPPF compliant. May currently require some adjustment in respect of c, d and e of paragraph 80. Partial review required to address this NPPF requirement.

National Policy Guidance

3.16. The NPPF is supported by a series of PPGs on a range of subjects. The most significant PPG documents relating to housing need and supply are:

- [Brownfield Land Registers \(28 July 2017\)](#)
- [Build to Rent \(13 September 2018\)](#)
- [Effective Use of land \(22 July 2019\)](#)
- [First Homes \(23 December 2021\)](#)
- [Green Belt \(22 July 2019\)](#)
- [Housing and economic land availability assessment \(22 July 2019\)](#)
- [Housing and economic needs assessment \(16 December 2020\)](#)
- [Housing needs of different groups \(24 May 2021\)](#)
- [Housing for older and disabled people \(26 June 2019\)](#)
- [Housing supply and delivery \(22 July 2019\)](#)
- [Planning Obligations \(1 September 2019\)](#)
- [Self-build and custom housebuilding \(8 February 2021\)](#)

3.17. Several of the PPGs referenced above have been updated or introduced since the examination of the adopted Local Plan (2020). All relevant changes to the PPG will be considered at this Regulation 18 Issues and Options Stage, with key paragraph references included in the consultation text.

3.18. The PPGs of particular importance to the housing need and supply evidence-based documents that will be revised as part of the review of the adopted Local Plan include:

- Housing and Economic Land Availability Assessment (22 July 2019)
- Housing and Economic Needs Assessment (16 December 2020)
- Housing Needs of Different Groups (24 May 2021)
- Housing for Older and Disabled People (26 June 2019)
- Housing Supply and Delivery (22 July 2019)

Local Policy

Current policy

3.19. In addition to changes in national planning policy, the review of the adopted Local Plan will consider the achievability and effectiveness of housing policies in decision making in the adopted Local Plan (2020), as well as new corporate priorities and strategies of the Council. This includes:

- Planning Advice Notes published since the adoption of the Local Plan (2020), in particular guidance on [First Homes](#), [Housing Additionality](#) and [Specialist Residential Accommodation](#)
- Policy implementation issues flagged through the [Authority Monitoring Report Plan](#), in particular relating to Local Plan Policies DM1 A i and DM2 A

- New priorities set out in [Our Chelmsford, Our Plan, Housing and Homelessness Strategies](#), published alongside the declaration of a [housing crisis](#), and the [climate emergency declaration and action plan](#).

Duty to Co-operate

- 3.20. The Council is committed to co-operating with other bodies on strategic planning matters. The Duty to Co-operate Strategy was reviewed and adopted in January 2022.
- 3.21. The Council will make every effort to seek co-operation on cross-boundary and strategic planning matters in a focused, positive and structured way. The Council will discuss the review of the adopted Local Plan with neighbouring planning authorities and the prescribed bodies at stages which align with and inform the stages of the review of the adopted Local Plan. These discussions will help to formulate the quantum and distribution of Chelmsford's future growth, which will be supported by updated evidence.
- 3.22. At the same time, we will continue to work constructively with nearby planning authorities on their own local plan preparation. Early engagement and demonstrating co-operation both with neighbours and the prescribed bodies through Statements of Common Ground are key to meeting the legal duty to co-operate.
- 3.23. In some cases, discussion on strategic matters will continue through existing joint working arrangements. We will also arrange joint Officer and Member meetings, technical stakeholder meetings, focused workshops, and Statements of Common Ground.
- 3.24. The strategic matters that may apply to the review of the adopted Local Plan have been identified as follows:
- Delivering homes for all including Gypsy and Traveller accommodation
 - Jobs and economy including green employment and regeneration
 - Retail, leisure, and cultural development
 - Sustainable transport, highways and active travel
 - Climate change action and mitigation including flood risk and zero carbon
 - Natural and historic environment including increased biodiversity and green/blue/wild spaces and connectivity of ecological networks
 - Community infrastructure including education, health and community facilities
 - Utility infrastructure including communications, waste, water and energy
 - London Stansted Airport future airspace redesign.
- 3.25. A Housing Market Area is a geographical area defined by household demand and preferences for all types of housing, reflecting functional linkages between places where people live and work. They are broadly defined by:
- Relationships between housing demand and supply across locations – using house prices and rates of change in house prices
 - Migration flows and housing search patterns
 - Contextual data such as travel to work areas, retail and school catchment areas.

- 3.26. It is important that the Council has regard to the Housing Market Area when consulting on any strategic matters that apply to the review of the adopted Local Plan, including any needs that cannot be met within neighbouring areas when establishing the amount of housing to be planned for.
- 3.27. To date, none of the local authorities that are considered to share a Housing Market Area with Chelmsford (Braintree District Council, Colchester Borough Council, Maldon District Council and Tendring District Council) have indicated that they are unable to meet their housing need.
- 3.28. The Essex authorities have a memorandum of understanding on how any unmet housing need should be addressed and this will continue to be followed.
- 3.29. Neighbouring local authorities are at different stages of plan preparation and review. The evidence bases to support the review of the adopted Local Plan will include a revised local housing needs assessment. This will assess the size, type and tenure of housing needed for different groups in the community for the administrative area of Chelmsford only.
- 3.30. A revised Gypsy and Traveller Accommodation Assessment for Essex will be undertaken to ensure that local planning authorities across Essex together with Southend-on-Sea and Thurrock councils work collaboratively to develop fair and effective strategies to meet the identified need for permanent and transit sites. Local Plans will then identify land for sites where appropriate.

Integrated Impact Assessment

- 3.31. The Council is carrying out an ongoing Integrated Impact Assessment (IIA) as the Review of the Adopted Local Plan develops.
- 3.32. The IIA will assess the following aspects of sustainable development:
- Sustainability Appraisal (SA)
 - Strategic Environmental Assessment (SEA)
 - Habitats Regulations Assessment (HRA)
 - Health Impact Assessment (HIA)
 - Equality Impact Assessment (EqIA)
- 3.33. The SA, SEA and HRA are a requirement of national policy. The HIA and EqIA are voluntary, but the Council believes they will help to provide a complete picture of the sustainability of the Review of the Adopted Local Plan.
- 3.34. The IIA identifies the key sustainability issues for the Review of the Adopted Local Plan, which feed into a framework against which proposals will be assessed. It will cover the potential environmental, social, economic and health performance of the Local Plan and any reasonable alternatives. It will be used at each stage of the review of the adopted Local Plan, and be subject to separate consultation, as follows:

- Scoping Report
- Issues and Options – Current Stage
- Preferred Options
- Submission
- Adoption.

3.35. The Issues and Options IIA appraises key sustainability issues (Table 3.19) and Appraisal Framework Objectives (Table 4.1) relating to this Topic Paper. Please see the Issues and Options IIA for more information

Evidence base

3.36. In accordance with the NPPF, policies and their requirements should be based on up-to-date evidence.

3.37. The following documents are of particular relevance to housing needs and residential land supply requirements of the adopted Local Plan and will require reviewing and/or updating to support the Review of the Adopted Local Plan:

Housing Need:

- Braintree District Council, Chelmsford City Council, Colchester Borough Council, Tendring District Council Objectively Assessed Housing Need Study (2015).
- Braintree District Council, Chelmsford City Council, Colchester Borough Council, Tendring District Council Objectively Assessed Housing Need Study (November 2016 update).
- Braintree District Council, Chelmsford City Council, Colchester Borough Council, Tendring District Council Strategic Housing Market Update (December 2015).
- Essex Joint Strategic Needs Assessment – A profile of people living in Chelmsford (May 2016).
- Independent Living Programme for Older People Position Statement (October 2016).
- Independent Living for Adults with Disabilities Planning Position Statement (October 2016).
- Essex, Southend-on-Sea and Thurrock Gypsy, Traveller and Travelling Showpeople Accommodation Assessment Joint Methodology Report (January 2018).
- Essex, Southend-on-Sea and Thurrock Gypsy, Traveller and Travelling Showpeople Accommodation Assessment Summary Report (January 2018).

Residential Land Supply:

- Housing Trajectory (April 2022).
- Five Year Land Supply Position Statement (April 2022).
- Five Year Land Supply Site Schedule (April 2022).
- Five Year Land Supply Methodology (April 2022).
- Housing Windfall Assessment (April 2022).
- Brownfield Land Register (April 2022).
- SHELAA Annual Report (2021).

- Chelmsford Local Housing Capacity in Chelmsford Urban Area (February 2017).
Viability:
- Local Plan Viability Study Including CIL Viability Review (January 2018)
- Planning Obligations Supplementary Planning Document (January (2021))

Monitoring:

- Authority Monitoring Report (April 2022)

Land Supply

- 3.38. The NPPF requires councils to identify land in local plans to accommodate 10% of their housing requirement figure on sites no larger than one hectare. Allocated small sites are often built out relatively quickly and need to be identified separately from the supply generated through small windfall sites. Having a good mix of site sizes helps to maintain a diverse housing supply.
- 3.39. Small windfall sites tend to be located within existing built-up areas which can be beneficial in terms of their access to existing services and facilities. However, the development of residential gardens can cause harm to the character of the local area. The review of the adopted Local Plan will need to consider the case for a policy to resist inappropriate development of residential gardens.
- 3.40. The Council needs to demonstrate that it can allocate and maintain a supply of deliverable and developable sites throughout the Local Plan period. The 2022 Strategic Housing and Employment Land Availability Assessment will be completed after the consultation on this document closes. The Council will be particularly interested to receive submissions for small sites in well-connected and sustainable locations during the [current 'call for sites'](#).

Strategic Housing Needs Assessment

- 3.41. The Strategic Housing Needs Assessment will assess the size, type and tenure of housing needed for different groups in the community for the administrative area of Chelmsford only, as neighbouring local authorities are at different stages of plan preparation and review. It will include a review of the size and type of market and affordable homes required.
- 3.42. The assessment will identify the total need for affordable housing during the plan period and analyse whether an increase in the total housing figures included in the review of the plan needs to be considered to help deliver the required number of affordable homes.
- 3.43. The assessment will review the forecast of job growth from the Council update to its employment evidence base and provide analysis on whether any increase in the total housing figures included in the plan review may need to be considered.

- 3.44. The Strategic Housing Needs Assessment will also review the percentage, tenure and mix of affordable housing currently sought on developments of 11 or more dwellings. Coupled with the review of land supply and an updated viability assessment, these revised evidence base documents will determine whether a change to the current approach to affordable housing is required, feasible and justified.
- 3.45. The provision of affordable housing can only be sought for residential developments that are defined as 'major development' in the NPPF, other than in designated rural areas⁴. The definition of major development in the glossary of the NPPF is development where 10 or more homes will be provided, or the site has an area of 0.5 hectares. The review of the Local Plan will need to consider whether the current threshold of 11 or more homes should be changed to reflect the national threshold and test whether development on sites at the national threshold is viable.
- 3.46. The Strategic Housing Needs Assessment will identify the type and tenures of affordable housing required to meet need during the plan period to enable a review of the percentage, tenure and mix of affordable housing currently sought on developments of 11 or more dwellings. Coupled with the review of land supply and an updated viability assessment, these revised evidence base documents will determine whether a change to the current approach to affordable housing is required, feasible and justified.

Housing Requirement and Land Supply Options

- 3.47. The adopted Local Plan contains close to a 20% supply buffer above the Housing Requirement figure of 805 new homes per year to provide flexibility in the supply of housing sites and help significantly boost supply to comply with the NPPF.
- 3.48. The national standard method exceeds the Housing Requirement in the adopted plan by 141 homes per annum, 946 homes per year as of April 2022. Since the national standard method was first published in 2018, the average annual minimum housing need figure has been 953 homes per annum.
- 3.49. To plan to meet only the minimum local housing need figure produced by the national standard method would not significantly boost the supply of homes and potentially impacts on the Council's ability to meet housing needed for specific groups.
- 3.50. Taking this and the annual variation into account, for the purposes of this consultation, the Council is proposing a Housing Requirement figure of 1,000 homes per annum for the plan period 2022 – 2041. When completed, the Strategic Housing Needs Assessment will inform the final Housing Requirement.

⁴ Designated rural areas applies to rural areas described under section 157(1) of the Housing Act 1985 of which there are none in the administrative area of Chelmsford.

3.51. To maintain flexibility in the supply of sites throughout the plan period, it is proposed to retain a 20% supply buffer. Adopting this approach and considering existing supply across the period 2022 - 2041, there is a shortfall of 7,966 homes in total:

Housing Requirement 2022-41	Homes
19 years x 1000 homes (standard method)	19,000
+20% supply buffer	3,800
Total (Requirement + Buffer)	22,800
Existing Supply 2022-41	
Total completions, allocations, permissions, windfall	14,834
Shortfall	7,966

3.52. The key elements for all the revised evidence base documents listed above are summarised below:

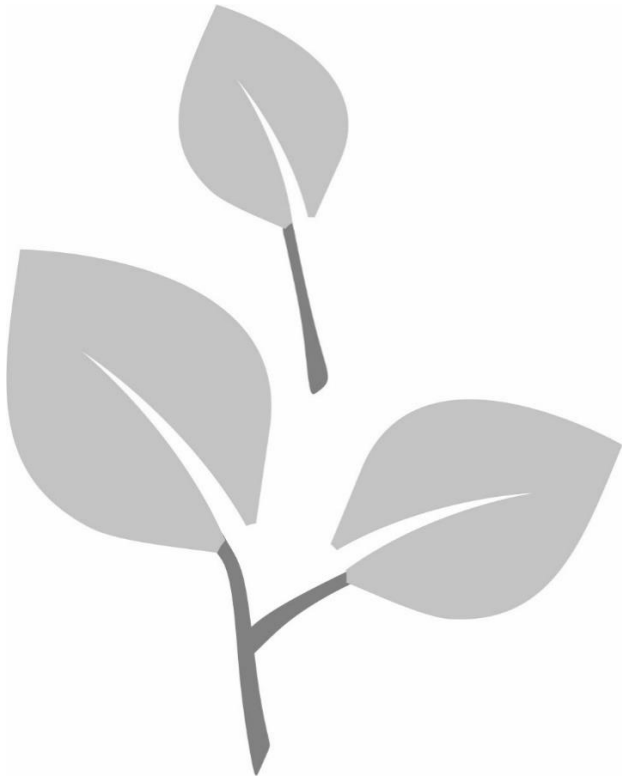
- To review the minimum number of homes needed using the standard method
- To determine the size, type and tenure of housing needed for different groups in the community including but not limited to those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes. This will have regard to strategies and policies of the Council that have been introduced or reviewed since the Examination of the adopted Local Plan, as well as the local housing needs assessment
- To identify existing relevant policies in the adopted Local Plan that are not working well
- To identify a sufficient amount and variety of land that can come forward where it is needed to meet the needs of groups with specific housing requirements
- To identify a supply of specific, deliverable site for years one to five of the plan period, including an 10% buffer to account for any fluctuations in the market.
- To identify specific, developable sites or broad location for growth for years 6-10 and 11-15 of the plan period
- To identify land to accommodate at least 10% of the Housing Requirement on sites no larger than one hectare
- To identify how the Council will maintain the supply and delivery of residential land over the plan period.

Proposed New Policies or Significant Changes

3.53. Areas we may explore for new or significantly altered local policies include:

- Considering whether it is appropriate to have a higher Housing Requirement to meet the housing needs of specific groups
- Considering whether it is appropriate to include a Housing Requirement for designated neighbourhood areas
- Considering whether a different approach to the mix of market housing is required
- Considering whether the level, type and mix of affordable housing needs to change
- Incorporating a First Homes exceptions site policy
- Considering whether the threshold for Affordable Housing needs to be the same as the national standard

- Considering whether the approach to Specialist Residential Accommodation needs to be more flexible
- Consider allocating more smaller sites to meet the need to identify land to accommodate at least 10% of the Housing Requirement on sites no larger than one hectare.
- Consider allocating new affordable housing sites adjacent to defined settlement boundaries if this would enable the delivery of more affordable housing
- Considering whether it is appropriate to have a new policy resisting inappropriate development of residential gardens.



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