



The Planning Inspectorate

Report to Chichester District Council

by Sue Turner

an Inspector appointed by the Secretary of State for Communities and Local Government

Date: 18th May 2015

PLANNING AND COMPULSORY PURCHASE ACT 2004 (AS AMENDED)

SECTION 20

REPORT ON THE EXAMINATION INTO CHICHESTER

LOCAL PLAN

Document submitted for examination on 28 May 2014

Examination hearings held on 30 September - 2 October, 7-9 October, 5-7 November and 2 - 3 December 2014.

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Abbreviations Used in this Report

AA	Appropriate Assessment
AHVA	Affordable Housing Viability Assessment
AONB	Area of Outstanding Natural Beauty
CIL	Community Infrastructure Levy
CWS & GB	Coastal West Sussex and Greater Brighton
DTC	Duty to Co-operate
EA	Environment Agency
FOSGO	Focus on Strategic Growth Options
HA	Highways Agency
HDA	Horticultural Development Area
HMA	Housing Market Area
IDP	Infrastructure Delivery Plan
LDS	Local Development Scheme
LP	Local Plan
MM	Main Modification
NP	Neighbourhood Plan
NPPF	National Planning Policy Framework
NPPG	National Planning Policy Guidance
OAN	Objectively assessed need
SA	Sustainability Appraisal
SAD	Site Allocations Development Plan Document
SCI	Statement of Community Involvement
SCP	Settlement Capacity Profiles
SCS	Sustainable Community Strategy
SDL	Strategic Development Location
SDNP	South Downs National Park
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
SPA	Special Protection Area
WWTO	Waste Water Treatment Options
WwTW	Waste Water Treatment Works

Non-Technical Summary

This report concludes that the Chichester Local Plan provides an appropriate basis for the planning of the District, providing a number of modifications are made to the plan. Chichester Council has specifically requested me to recommend any modifications necessary to enable the plan to be adopted.

All of the modifications to address this were proposed by the Council

The Main Modifications can be summarised as follows:

- Include a commitment to an early review of the Plan in recognition of the limitations of the transport study and to enable full and detailed consideration of the potential offered through proposed government funding for upgrading of the A27;
- Explain fully the reasoning behind the focus on the east-west corridor;
- Provide a clear, updated figure of objectively assessed need;
- Modify housing supply, distribution of housing development and quantum to be delivered by individual sites, to reflect the increased supply identified through the evidence audit;
- Clarify the approach to counting sites of under 6 dwellings;
- Amend the affordable housing policy to conform with national policy;
- Clarify the approach to meeting the need for employment land and floorspace;
- Amend Policy 32 to provide a clear and effective strategy to support horticultural development;
- Remove references to the Code for Sustainable Homes and replace with clear, justified criteria;
- Amend the heritage policy to ensure that it is effective and consistent with national guidance;
- Adjust each of the four SDL policies to ensure that they are effective;
- Clarify the status of the Green Infrastructure appendix
- Amend the monitoring framework to ensure that it is effective
- Make other changes to ensure that the plan is accurate and effective.

Introduction

1. This report contains my assessment of the Chichester Local Plan in terms of Section 20(5) of the Planning & Compulsory Purchase Act 2004 (as amended). The Plan sets out the planning strategy and policies for the period to 2029. It excludes the central part of the district which lies in the South Downs National Park (SDNP). The SDNP Authority is preparing a separate Local Plan for this area.
2. The report considers first whether the Plan's preparation has complied with the duty to co-operate, in recognition that there is no scope to remedy any failure in this regard. It then considers whether the Plan is sound and whether it is compliant with the legal requirements. Paragraph 182 of the National Planning Policy Framework (NPPF) makes clear that to be sound a Local Plan should be positively prepared; justified; effective and consistent with national policy.
3. The starting point for the examination is the assumption that the local authority has submitted what it considers to be a sound plan. The basis for my examination is the submitted draft plan, which is the same as the document published for consultation in November 2013. The Plan was submitted alongside a schedule of proposed modifications (CD02). This was edited to separate editorial changes from modifications proposed to address soundness issues raised during consultation. A list of the latter (CD02A) has been considered as part of the examination.
4. This report deals with the main modifications needed to make the Plan sound and legally compliant and they are identified in bold in the report (**MM**). In accordance with section 20(7C) of the 2004 Act the Council requested that I should make any modifications needed to rectify matters that make the Plan unsound/not legally compliant and thus incapable of being adopted. These main modifications are set out in the Appendix.
5. The Main Modifications that are necessary for soundness relate to matters that were discussed at the examination hearings or raised in written submissions. Following the hearings the Council prepared a schedule of proposed main modifications and carried out sustainability appraisal. This schedule has been subject to public consultation for six weeks and I have taken account of the consultation responses in reaching my conclusions in this report. I have made minor amendments to the detailed wording of some of the main modifications where these are necessary for consistency or clarity. None of these amendments significantly alters the content of the modifications as published for consultation or undermines the participatory processes and sustainability appraisal that has been undertaken. Where necessary I have highlighted these amendments in the report.
6. Finally, I have omitted a number of modifications included in the Council's schedule which I do not consider necessary to make the Plan sound. These changes, which include amendments to the glossary, can be made by the Council, along with any other minor editorial changes, as additional modifications outside the examination process.

Assessment of Duty to Co-operate

7. Section s20(5)(c) of the 2004 Act requires that I consider whether the Council complied with any duty imposed on them by section 33A of the 2004 Act in relation to the Plan's preparation. It is evident from the Council's 2014 Duty to Cooperate (DTC) Statement that the Plan has been developed through joint working with Local Planning Authorities in the Coastal West Sussex and Greater Brighton (CWS & GB) area.
8. It is argued by some local residents that whilst the Council has looked eastwards to the CWS & GB area, it has failed to work collaboratively with other Local Planning Authorities to the west. The fact that the district is on the edge of a Housing Market Area (HMA) has led to understandable concerns about whether DTC work has included authorities to the west, outside the HMA, and about the rigour with which patterns of in and out commuting have been addressed in assessing housing need.
9. However it is evident that in preparing the Plan discussions have taken place with adjacent Hampshire authorities. Havant Borough is itself under pressure to meet unmet need from Portsmouth, whereas East Hampshire is separated from Chichester by the South Downs National Park (SDNP), making it unlikely to be of assistance in meeting the district's housing need. In any case both East Hampshire and Havant have asked Chichester to help meet their own unmet housing need. The DTC statement demonstrates clearly that Plan preparation has included co-operation with all neighbouring authorities to address strategic and cross boundary matters.
10. It is also clear that the Council has engaged constructively with the relevant prescribed bodies, including the Environment Agency, Natural England, the Primary Care Trust and infrastructure providers. Some of this activity is recorded in supporting evidence such as the Infrastructure Delivery Plan (IDP). The Council considers the DTC statement to be an evolving document and has provided an addendum (CD14A) to summarise the full range of collaboration with public bodies which underpins the Plan's preparation.
11. In conclusion, I am satisfied that in preparing the Plan the Council has worked collaboratively with neighbouring authorities and has engaged effectively with prescribed bodies to address strategic matters. It has therefore met the duty set out in section 33A of the 2004 Act.

Assessment of Soundness

Main Issues

12. Taking account of all the representations, written evidence and the discussions that took place at the examination hearings I have identified nine main issues upon which the soundness of the Plan depends.

Issue 1 –does the Plan set out a robust strategy to address the area's challenges and to deliver the vision and objectives?

13. The Plan's vision and objectives flow from the Sustainable Communities Strategy which, whilst dating from 2009, captures the area's key

characteristics and identifies priorities and objectives which remain relevant today. The emergence of the strategy through the preferred approach to the submitted Plan has been informed by Sustainability Appraisal (SA) as part of an iterative process.

14. Early proposals to locate strategic development to the south west and west of Chichester and at Fishbourne were discounted due to their environmental impact on the Chichester and Langstone Harbour Special Protection Area (SPA). Subsequently a mitigation strategy for recreational disturbance was developed and a solution to address the issue of waste water treatment emerged. This led to the strategic location for development West of Chichester being re-introduced. However the SA report makes it clear that no such justification exists to re-introduce South West of Chichester or Fishbourne as locations for strategic development.
15. The proposed spatial strategy seeks to deliver sustainable economic and housing growth, whilst steering development away from areas of environmental and heritage sensitivity. It focuses development along the "East-West Corridor" between Southbourne and Tangmere and around Chichester city. The concept of this "corridor" as a focus for development emerged from considerations of transportation, access and the sustainability of existing settlements as well as consideration of environmental issues, underpinned by the SA process. To clarify the reasons for the focus on the east-west corridor the Council has suggested modification **MM26**. I agree this is necessary to ensure that the strategy is clearly justified.
16. Plan Policy 2 sets out the development strategy and settlement hierarchy and identifies the scale and location for development across the Plan area. The strategy has been developed alongside the SA process and has been informed by a range of studies. These include Strategic Flood Risk Assessment work carried out in 2010, the 2009 Focus on Strategic Growth Options (FOSGO), the Strategic Housing Land Availability Assessment (SHLAA) and the 2013 Settlement Capacity Profiles (SCP). These and other supporting documents provide a robust evidence base which justifies the overall strategy for development.
17. In line with the focus on the "East-West Corridor" the Plan identifies four Strategic Development Locations (SDLs) which are allocated for major development in conjunction with improved transport linkages and green infrastructure. It is anticipated that in addition to providing new housing these developments will provide opportunities to enhance facilities for existing communities. The Plan also identifies locations for medium scale strategic development at the settlement hubs of Southbourne, Selsey and East Wittering/ Bracklesham. Small scale housing developments, referred to as the Parish Housing Sites and intended to meet local needs, are to be accommodated in the service villages and in and around Chichester city. The indicative number for each Parish flows from the SCP which records the settlement size, services and facilities and constraints in each settlement. The SCP includes contributions from Parish Councils and key stakeholders to establish and identify opportunities for development.
18. It is argued that the Plan should include a review of settlement boundaries to demonstrate a more proactive approach in seeking opportunities for

development across the district. However Policy 2 sets out criteria for undertaking settlement boundary reviews through the on-going work on neighbourhood plans (NPs) or through the Site Allocations Development Plan Document (SAD). On this basis the Plan provides a clear strategy for addressing boundary reviews at an appropriate stage in the process of identifying and allocating sites.

Issue 2 – is the Plan supported by robust infrastructure planning which demonstrates the capability of local and strategic infrastructure to support the quantum of development that is proposed?

19. Policy 9 of the Plan sets out the way in which development and infrastructure provision will be co-ordinated and it is supported by the Infrastructure Delivery Plan 2014 – 2029 (IDP). The IDP was updated during the course of the examination as part of the process of preparing up to date evidence to inform the Council's emerging Community Infrastructure Levy (CIL) charging schedule. The 2014 IDP includes the latest costings for Habitats Regulation Mitigation and the up to date figures for existing and estimated S106 funding available. It demonstrates that the Council is engaging with a wide range of providers to plan for delivery of the infrastructure needed to support development set out in the Plan.
20. A number of concerns have been raised relating to the detailed content and costings in the IDP and the significant gap in infrastructure funding which it identifies. However the IDP is a live document and a planning tool which will need to be continuously updated and revised. It is clear that CIL will not bridge the funding gap and the Council has confirmed that infrastructure will be funded from a mix of sources, including CIL and site specific developer contributions. It is appropriate that site specific contributions are addressed through the relevant planning applications. Furthermore development is planned over a 15 year period therefore infrastructure would be provided throughout the Plan period in parallel with the development that it supports.

The highways network

21. The Plan is supported by the 2013 Transport Study which uses the Chichester Area Transport Model to examine the area wide impacts of local growth to 2031. Whilst this date does not align with the Plan period to 2029 it is accepted that the main effect of this discrepancy is the slight over estimate of background traffic growth. This is not considered sufficiently significant to undermine the modelling work.
22. The study assesses traffic flows using a maximum target of 6,100 additional homes, over and above the housing commitments of 1990 homes at the base date of 1 April 2011. The study identifies transport mitigation measures to support housing growth based on A27 junction improvements and a package of "Smarter Choice" initiatives. The model demonstrates that at the strategic level development of the maximum target plus mitigation would result in a traffic flow situation no worse than existing.
23. Implementation of the transport package is dependent on the phasing of development in the Plan and indicative costs are set out in the IDP. The Highway Authority's cost estimates are cautious and based on similar

projects, with an optimism bias of 45%. Where developer funding is required this will be through a mix of CIL and developer contributions. Proposals for the A27 junction improvements are to be funded by developer contributions although plans for government funded improvements to the A27 have now been confirmed.

24. Concerns have been raised in relation to a number of detailed highway matters on the strategic developments. At the West of Chichester SDL these relate to the proposed southern access route, routes through the scheme and the impact of the development on the local road network and existing residential areas such as Parklands. At Tangmere concerns have been raised about the provision of access to services.
25. The County Council, as highway authority, has confirmed that the planning application for each site will need to include a travel plan, addressing use of "Smarter Choices" to influence travel and modal choice. To clarify the way in which transport infrastructure will be taken forward at planning application stage and especially to embed in the Plan the requirement for consultation with local residents, the Council proposes additional wording set out in **MM22** and **MM23**. Subject to these changes I am satisfied that the Plan is supported by robust planning for transportation infrastructure to support the level of development that is proposed and provides a clear indication of costs and responsibilities for implementation.

Wastewater treatment facilities

26. It was acknowledged at an early stage in preparing the Plan that wastewater treatment capacity was a constraint to development in the southern part of the Plan area. The situation is further complicated as the capacity of the district's Waste Water Treatment Works (WwTWs) is constrained by European environmental designations where statutory environmental water quality standards must be met. In 2009 the Council commissioned a strategic study of sewage options: Waste Water Treatment Options for Chichester District (WWTO). This examined the capacity of each of the six WwTWs in the south of the district and identified options to address the treatment deficit.
27. The WWTO identified the upgrading of Chichester (Apuldram) WwTW, including construction of a Long Sea Outfall, as the most feasible, but the most expensive solution. It also noted that an upgrade to Tangmere WwTW was a desirable option, subject to clarification of the Environment Agency's requirements on controlling phosphorous in the discharge.
28. Work to address wastewater treatment capacity has continued in parallel with work on the emerging Plan. By 2012 the multi-agency Water Quality Group was able to report that an upgrade at Tangmere WwTW was financially, environmentally and technically feasible. Furthermore in 2013 the Environment Agency confirmed that, subject to installation of a proposed UV treatment plant on the storm overflow, headroom at Apuldram WwTW could be made available, allowing for approximately 700 additional dwellings.
29. The results of this work have enabled the Council to demonstrate that there is sufficient wastewater treatment capacity for the level of development proposed in the Plan, subject to the upgrade and expansion of Tangmere

WwTW. This work, which is programmed to be completed by 2019, has determined the phasing of the SDLs at West of Chichester, Westhampnett and Tangmere, with delivery of all three programmed to commence in 2019.

30. The reliance of these major developments on the Tangmere upgrade presents a risk to delivering the Plan's housing in accordance with the trajectory and with the expectations set out in Policies 15, 17 and 18. However the policies themselves do not refer directly to reliance on the Tangemere upgrade but to the provision of infrastructure for adequate wastewater conveyance and treatment to meet environmental standards. This broad wording allows flexibility for other solutions to be explored.
31. The WWTO study did not recommend locally distributed treatment systems and does not include such schemes as an option to overcome the treatment deficit. However it is clear that this option is under consideration by developers for the West of Chichester SDL. Whilst not favoured by the EA or the Council, the existence of this fall-back solution provides flexibility and adds certainty to the phasing of the Council's housing trajectory.
32. A number of specific concerns regarding wastewater treatment across the south of the Plan area were raised during the examination. Many of these relate to the adequacy of connections from existing development to the WwTWs. Having experienced unpleasant effects from existing problems it is understandable that there is a high degree of scepticism about the capacity of existing WwTWs to cope with additional development. However the Environment Agency has confirmed that new development would be required to connect directly to the WwTW to meet up to date standards. Current problems with the network, which would need to be addressed through Southern Water's routine maintenance programme, would not be exacerbated by connecting new development as planned.
33. The capacity of Thornham WwTW has been questioned, particularly in the context of housing development taking place in Havant. However appropriate cross boundary work has been carried out and Southern Water has confirmed that Thornham has capacity in excess of the Plan proposals. Additional concerns have been raised about discharges into Chichester Harbour, which it is contended are increasing. The Environment Agency is aware of these discharges and is monitoring them. So far they are related to weather conditions but remain consistent with the permitted operations.
34. Plan Policy 12 refers specifically to development in the Apuldram WwTW catchment where capacity is limited. This policy is aimed primarily at small scale development and takes forward advice in the WWTO to embed water reduction techniques into the Plan. It also takes account of the EA's concerns that any development above the agreed headroom would have a significant impact on nitrogen loads and weed growth in Chichester Harbour. The policy refers to the Code for Sustainable Homes which is to be wound down. Council's suggested modification **MM35** should be made to ensure that the Policy is future proofed and sets clear, rigorous standards for new development in this catchment.
35. The evidence demonstrates that the Council has worked with the appropriate advisory and statutory bodies and with the adjacent local planning authority

to plan for adequate wastewater treatment and the Plan is supported by detailed and realistic planning for wastewater treatment.

36. The County Council has identified that the housing development proposed in the Plan is likely to generate a need for a new secondary school during the Plan period. The Council has proposed modification **MM24** to acknowledge that a school site may need to be identified and I agree that this modification is needed to ensure that the Plan is effective.
37. In conclusion, the Plan takes account of the need for strategic infrastructure and demonstrates that it can realistically be provided to ensure that the level of development that is proposed can be delivered.

Issue 3 – does the Plan identify the full, objectively assessed need (OAN) for market and affordable housing?

What is the correct Housing Market Area (HMA)?

38. The starting point for identification of the district's OAN is the 2012 Coastal West Sussex Housing Market Assessment Update (SHMA). It has been argued that this is not a sound basis for assessing housing need in Chichester as it looks only to the east, ignoring the district's links to large settlements to the west, such as Havant and Portsmouth. However in defining the sub regional housing market the SHMA addresses gross migration flows between local authorities to both east and west of Chichester. It identifies clusters of local authorities with strong flows and indicates that Chichester is grouped with Arun, Adur, Worthing, Brighton and Hove and Lewes. More recent work to assess commuting and migration flows data from the 2011 census (Migration, Commuting and Housing Market Areas, 2014) confirms strong linkages between Chichester and Arun Districts and no evidence to justify the inclusion of Chichester within a Portsmouth HMA. This analysis supports the identification of the Sussex Coast HMA.

Does the Plan clearly define the OAN which it seeks to meet?

39. Paragraphs 7.4 – 7.6 of the Plan set out various estimations of future housing requirements derived from different elements of the evidence base, but the Plan does not set out a definitive figure for the area's OAN. It is clear that evidence on housing need has been updated during the drafting of the Plan and I note that the Council has sought to be open in its approach which has led to it suggesting a range rather than an exact figure. However the absence of a clear target or "goal" undermines the Plan's strategy for housing provision and makes it impossible for the Council to demonstrate that it has planned positively to attain that goal or to minimise any shortfall.
40. The most up to date review of OAN, the Review of Objectively Assessed Housing Need in the light of 2012 based Subnational Population Projections (OAN Review), was prepared in August 2014. It was informed by recent research on household formation rates and allows for empty and second homes. It is based on the period 2013 – 29 to take account of the date of the most recent baseline data and coincide with the end of the Plan period. In accordance with national guidance it also models the impact of increasing housing to take account of market signals in order to improve affordability.

41. The OAN Review reports on four different headship scenarios and leads to a revised estimation that on latest evidence, reflecting variables and long term projections, overall need for new homes is in a range of 560-575 a year. Based on this range and the need to maximise housing delivery it is acknowledged that the top of this range, which takes no account of development constraints, is the district's OAN. This is consistent with the government 2012-based Household Projections: England, 2012-2037 which were published in February 2015.
42. The OAN is for the whole of the district. However the Plan excludes the area of the district within the SDNP and the SDNP Authority will prepare its own plan. The Council has assumed 70 dwellings per annum to be delivered within the SDNP area, based on historic figures. SDNP Authority is at an early stage in preparing its Plan but has not questioned this assumption. On this basis the Plan should seek to provide 505 dwellings per annum, as set out in modifications **MM07** and **MM08**.

Issue 4 – does the Plan's housing target represent positive planning to maximise housing delivery?

Is the quantum and location of housing supported by robust evidence?

43. The Plan proposes to deliver housing through existing planning permissions and identified housing sites, allocations in four large strategic development locations (SDLs) and housing growth focussed on the settlement hubs, together with small scale parish housing sites and a small sites windfall allowance.
44. The location and the quantum of housing that the Plan proposes to deliver through the SDLs was established through a series of exercises and consultation. The Focus on Strategic Growth Options (FoSGO) in 2009, together with SA and background studies on infrastructure and environmental constraints informed the process and led to the Draft Local Plan Key Policies Preferred Approach in March 2013. The four SDLs are identified at Shopwyke, West of Chichester, Westhampnett/North East Chichester and Tangmere. Delivery is to be through masterplanning.
45. The Plan sets out indicative figures for the level of housing to be delivered through strategic development at Southbourne, Selsey and East Wittering/ Bracklesham as well as on small scale parish housing sites and in and around Chichester city. These figures flow from the 2012 SHLAA, consultation undertaken with Parish Councils in 2012 and from the 2013 Settlement Capacity Profiles (SCP). The SCPs analysed each settlement to assess a range of characteristics such as housing need, employment areas, accessibility, landscape and environmental sensitivity and infrastructure capacity. The allocations and small scale parish housing will be delivered either through neighbourhood plans or through the Council's SAD.
46. The windfall allowance assumes that some housing will be delivered on small sites not identified in the SHLAA as they fall below the threshold of 6 dwellings. The Plan makes it clear that only sites of 6 or more dwellings will be counted to reduce parish housing requirements, but a number of local residents, especially those working on neighbourhood plans, argue that sites

for fewer than 6 should be counted as contributing to the parish numbers.

47. It is realistic to expect that work on NPs will identify small sites, particularly in rural areas where designations such as the AONB constrain site selection and make it necessary to drive down in to detail to look for smaller sites. Furthermore it is understandably disappointing if hard work to identify small sites does not result in a reduction in the parish numbers. However sites of under 6 dwellings are already accounted for in the housing trajectory windfall allowance and there would be a risk of double counting if they were allowed to contribute to parish housing numbers. On this basis the Council's approach is logical, but should be clarified as set out in modification **MM18**.
48. An average of 47 units per annum was delivered on windfall sites over the last 10 years and there is a strong likelihood that further small windfall sites will come forward through the NP process. This, together with the fact that the SHLAA considers only sites for 6 dwellings or more leads me to conclude that the Plan's modest windfall allowance from 2016/17 is justified.
49. The Plan indicates that housing from all of the above sources can deliver 410 units annually with a total provision of 6,973 to the end of the Plan period, from the Plan's base date of 2012. This is far short of the OAN of 505 new homes annually, as modified by **MM07**. The Council contends that the yearly figure of 410 has been determined through an iterative process which has included analysis of housing need, potential development sites, development constraints and infrastructure. It is based on a wide range of detailed studies as summarised above and it is clear that the locations for housing development are justified by robust evidence.
50. In addition it is common ground that development in the Plan area is constrained by flood risk, environmental designations such as Chichester Harbour AONB, the SDNP and a number of designated or candidate sites of international importance for nature conservation. However some parts of the evidence base, such as background paper "A Balanced Approach to Housing" take the 410 dpa figure as a starting point and provide justification for this as a maximum. This approach, together with the fact that the annual figure of 410 is consistent with the now revoked South East Plan, leads to concerns that attempts to maximise housing delivery have been less than rigorous.
51. To ensure that the Plan takes every opportunity to boost the supply of housing and to minimise the shortfall, the Council undertook an exercise to review the evidence on housing supply during the examination. This "audit" or "refresh" of the evidence was carried out in November 2014. It included updating and reviewing the SCP, the SHLAA, wastewater treatment capacity and transport evidence.
52. In examining the results of this work it is evident that any increase in the supply of housing is constrained by the limitations of the Transport Study. The 2013 Transport Study (Transport Study of Strategic Development Options and Sustainable Transport Measures) tested growth scenarios to 2031 based on development levels from the strategic housing market assessments at the time and the former South East Plan (revoked in 2013). It used the Chichester Area Transport Model to take account of current and committed housing developments in the wider area, non-development growth

in travel and committed improvements to the road network and to assess a range of scenarios for the housing target.

53. The review of this study, which included discussions with the County Council, led to the conclusion that any increase in housing provision within the Plan period cannot exceed 415 because an increase above this level would require reassessment of all the evidence on transport impacts and mitigation. Thus, whilst the other work carried out in the evidence audit demonstrated additional capacity at a number of locations, the figure of 415 is an absolute constraint based on current transport evidence.

Do the limitations of the Transport Study which constrain the amount of housing that can be delivered through the Plan make the Plan unsound?

54. It is agreed that for the purpose of meeting OAN the Transport Study is flawed as it does not test development scenarios up to 505 dwellings per annum. The A27 junction improvements that flow from the Transport Study and are proposed in the IDP clearly have capacity limits and more radical solutions may be required to support development above the level tested. However the government has recently announced improvements to the A27 which may enable a greater level of housing growth to be supported.
55. Halting the Plan at this stage would allow an up to date transport study to be undertaken to include testing up to the agreed OAN. However the transportation situation is complex and at present there are uncertainties about the timing and detail of the A27 upgrade. Furthermore failure to adopt the Plan at this stage would delay delivery of the area's strategic priorities and weaken the Council's ability to ensure that development is sustainable. It would hinder the planned delivery of appropriate infrastructure to support development. In addition any delay now would undermine the momentum and the very positive work that has been carried out by local communities in preparation of NPs.
56. For these reasons I conclude that the Plan should be adopted now, subject to a commitment to a review to be completed within five years. This will ensure that housing delivery after the first five years of the Plan period can be updated to take account of emerging evidence on highway infrastructure and rigorous testing of the impacts of providing housing up to the OAN or any updated OAN. The Council's proposed modification **MM09** includes a commitment to an early review. I have simplified the proposed modification and it should be adopted to ensure that the Plan is sound.

Can the housing supply be increased within the constraints of the Transport Study?

57. Constraints such as flood risk and environmental issues have informed the selection of locations for housing development and it was not appropriate to revisit these matters as part of the evidence audit. The review of the SCP demonstrated that apart from information on land availability, the information in the SCPs is robust and provides a sound assessment of the capacity of the district's settlements to accommodate housing development.
58. The review and update of the SHLAA excluded sites that were identified as having no potential and those with planning permission. Sites already

allocated in emerging neighbourhood plans were identified, whilst sites in the north of the Plan area were not reviewed, as their parish numbers already exceed the SHLAA sites with development potential. Sites with potential were examined in detail, including in particular especially reviewing the analysis of landscape assessments.

59. Wastewater evidence was tested in light of planning permissions granted to March 2014. It was concluded that whilst capacity at Tangmere would be fully taken up by existing proposals, additional capacity was identified at some WwTWs. This did not take account of network capacity which, as discussed in issue 2, would need to be dealt with through routine maintenance.
60. The evidence audit identified capacity to increase housing supply at the West of Chichester SDL, within or adjacent to Chichester City and in the East Wittering/ Bracklesham area. This results in an overall increase of 415 dwellings within the Plan period, leading to a target of 435 dwellings per annum. Subject to setting this new target through modification **MM10** and the commitment to an early review of the Plan, I am satisfied that the Plan demonstrates a positive approach to maximising the delivery of new housing.

Does the Plan identify a 5 year supply of deliverable housing sites?

61. In planning for a five year supply of housing the Council accepts the need for an additional 20% buffer to address under delivery in the period 2001 - 2012. Having undertaken the evidence audit the Council prepared a revised schedule of housing delivery and phasing and a revised housing trajectory.
62. The modifications to housing supply and delivery should be made as set out in **MM11**, **MM12**, **MM13**, **MM14**, **MM15** and **MM16**. These modifications include updating of the housing supply situation and take account of the fact that some strategic and parish sites have now gained permission. The amended table 7.1 shows the up to date position and is supported by the updated and amended housing trajectory which should be added to the Plan through **MM123** and **MM124**.
63. On the basis of the updated information it is clear that there is a five year housing land supply which is made up predominantly of identified sites or sites with planning permission. From 2016/17 it is anticipated that parish sites and sites to be delivered through NPs will start to contribute to the supply. The outstanding shortfall from previous years is made up during the first five years of the Plan, as set out in "adjusted five year housing requirement (+buffer) in Table D.1, introduced through modification **MM124**.
64. It is suggested that the Council should carry forward its informal policy on Facilitating Appropriate Development (FAD) which was adopted in 2011 to determine applications for housing in advance of adopting a new LP. However the FAD policy was an interim measure introduced to address the shortfall in the housing land supply. It included development management criteria which are now in the Plan and is no longer needed as the Council can now demonstrate a five year housing land supply.

Is Policy 34 on Affordable Housing justified and consistent with national policy?

65. Plan Policy 34 requires all residential development to make a contribution of 30% affordable housing either on site or, in exceptional cases or on sites of 5 dwellings or less, through commuted sums. The policy is supported by up to date viability assessment and includes guidance for assessing individual sites. However the Ministerial Statement made in November 2014 has changed planning policy and affordable housing and tariff style planning obligations should no longer be sought from small scale and self-build development.
66. The Council has proposed modifications to Policy 34 and the preceding text to remove the requirement for sites of 10 or fewer dwellings to make an affordable housing contribution. It also includes a new paragraph to reflect national policy which allows the lower threshold of 5 units on designated rural sites. These modifications, set out in **MM83**, **MM84**, **MM86** and **MM87** are necessary to ensure that the policy is consistent with national policy.

Issue 5 –Does the Plan provide a robust strategy to develop and maintain a strong and thriving local economy?

Overall provision

67. Policy 3 of the Plan identifies the need for around 5 hectares of office space and 20 hectares of industrial/ warehousing space. This is based on the 2013 update of the Employment Land Review (ELR). The ELR took account of past development trends, expected performance of different industrial sectors and the level of growth that can be expected in the area based on planned levels of housing development. It included an assessment of potential employment sites and recommended a strategy for the location of employment land which has informed the Plan. The Plan takes account of the ELR conclusion that up to 6 hectares of employment land could be supported within the SDNP.
68. In reaching its conclusions the ELR takes account of 22 hectares of land with planning permission for employment uses, as well as 7.8 hectares on land allocated in the 1999 Local Plan (LP) which has not yet been developed. The reliance on a mix of allocated sites, sites with planning permission and new sites to meet the need for employment land and floorspace is confusing and the Council has proposed a number of modifications to address this.
69. **MM02** and **MM05** identify allocations carried forward from the 1999 LP and clarify that these, together with outstanding permissions, will contribute towards meeting the overall requirement for employment floorspace. **MM49** and **MM50** provide specific clarification regarding an employment allocation carried forward from the 1999 LP at Portfield Quarry, within the Shopwyke SDL. **MM03**, **MM04** and **MM06** summarise the requirement for new employment land to be identified through the Plan, taking account of land already available or allocated and an allowance to be provided in the SDNP. They list locations where new employment land is allocated in the Plan and clarify that the remaining requirement will be identified in the SAD. Subject to these modifications which are needed to ensure that the Plan is effective, I am satisfied that the Plan provides a clear and flexible strategy for meeting the need for employment development.

Does the Plan set out a coherent policy for employment development focussed on Chichester city and at the West of Chichester SDL?

70. Plan Policy 11 deals with the focus of new employment development on the city and the surrounding area, including the West of Chichester SDL. The Council has sought to allow a degree of flexibility in the way in which this is delivered but the policy and preceding text are unclear, suggesting some inconsistency with the quantum and location of development in Policy 3.
71. In order to ensure that the Plan is sound it should be modified to amend and clarify the policy for the Chichester city employment sites. The Council has proposed modifications **MM32** and **MM34** to ensure that Policy 11 is consistent with the overarching employment Policy 3 and with Policy 15, which includes the allocation of employment land at West of Chichester SDL. An additional modification, **MM33** is also necessary to clarify the plan by deleting vague references to other sites which are not followed through and which will be dealt with through the SAD.

Does the Plan set out a coherent policy for the allocation of employment at Tangmere?

72. The allocation of 4.5 hectares of employment land on Chichester Business Park is made up of a combination of land previously allocated in the 1999 LP and additional allocations in this Plan. To clarify the composition of this allocation the Council has proposed modification **MM60**. I agree that this is necessary to ensure that the Plan is clear and effective.

Is the Plan's approach to horticultural development justified and effective?

73. The Plan acknowledges the importance of the district's horticultural industry and recognises the need to ensure that suitable sites are available to enable it to remain nationally and internationally competitive. Plan Policy 3 seeks to support the local economy by providing a flexible supply of employment land, including planning to accommodate the development needs of the horticultural industry. Policy 32 confirms that such development will continue to be focussed within the district's existing horticultural development areas (HDAs) which were designated in the 1999 LP.
74. Representatives of the horticultural industry argue that the existing HDAs do not meet the needs of the industry and they are unconvinced that Policy 32 will generate sufficient viable opportunities for horticultural development. Concerns relate primarily to the limited availability of land in the HDAs for further horticultural development, particularly for low value uses such as polytunnels. It is argued that B1 uses have encroached onto the HDAs and some landowners are reluctant to release land for horticultural use, thus a more flexible, criteria based approach is needed to facilitate development.
75. The Council acknowledges that there have been problems delivering land for horticultural use within the HDAs and recognises that some land is retained with "hope value" rather than being made available for horticultural development. However the HDAs have an important role to play in protecting the countryside, especially protected areas such as the AONB, the SDNP and views to and from these areas. They provide designated areas

where exceptions are made to normal countryside restraint policies to allow large scale horticultural development. They also provide a framework to ensure that such development is located in sustainable locations where heavy goods traffic can be accommodated on the road network.

76. Policy 32 sets out criteria for new glasshouse, packhouse and polytunnel development within the HDAs and directs large scale horticultural development to the HDAs at Tangmere and Runcton. The limitations and difficulties of the HDAs are recognised in the second part of the policy which sets out criteria to allow land for horticultural use to come forward outside the HDAs when land within them is unviable or used up. This approach builds on the established policy of directing new horticultural development to HDAs but allows flexibility to enable exceptions to be made where justified.
77. It is common ground that Policy 32 and the explanatory text as drafted were unclear or inconsistent in a number of ways and the criteria included some unrealistic requirements. The Council and representatives of the horticultural industry have continued to work collaboratively to clarify the text and to re draft the criteria, as set out in **MM78**. The amended wording does not have the full agreement of the horticultural industry, who have suggested further changes to the modification and I have carefully considered all of these proposals. However only one of these is necessary to ensure soundness. This is a minor wording change to paragraph 16.40 which I have amended to ensure clarity. Subject to modification MM78 as amended the Plan provides for horticultural development in a way which is justified and effective.

Is the Plan's approach to retail development justified and consistent with national policy?

78. Policy 28 sets out a number of criteria which will be considered in proposals for retail development on the edge of Chichester or on out of centre sites. It is supported by the Retail Study update and is consistent with paragraphs 24 – 27 of the NPPF, with the exception of criterion 1 where the wording does not align with national guidance on maintaining vitality and viability. A similar inconsistency occurs in Policy 14: Chichester City North where reference is made to the inclusion of retail development on land at Barnfield Drive. In both cases wording should be amended to ensure consistency with paragraph 27 of the NPPF, as detailed in **MM41** and **MM70**.
79. Concerns have been raised that criterion 5 of Policy 28, which sets a minimum size of 1,000 square metres gross for edge or out of centre sites, is unduly restrictive. However this requirement carries forward a policy in the 1999 LP and is supported by the GVA Retail Assessment for the Council which was prepared in 2014 in relation to the Barnfield Drive land. It protects retail units in the city centre which are generally small units by ensuring that the scale of edge and out of centre retail development is different and complementary to that in the centre. On this basis criterion 5 is justified and consistent with the NPPF.

Issue 6 – Is the allocation of strategic development sites in the Plan soundly based on robust evidence? Are they capable of delivering housing in accordance with the housing trajectory?

West of Chichester SDL

80. West of Chichester was excluded from early iterations of the Plan as a location for development because of its proximity to Chichester Harbour SPA. However after strategic mitigation measures were identified, through the 2012 Solent Disturbance and Mitigation Project, West of Chichester was identified as a sustainable location along the east-west corridor. The Solent mitigation strategy requires a payment of £172 per dwelling across the area and Policy 15 provides a mechanism to secure this sum. Policy 15 also provides for protection and enhancement of biodiversity and ecology. On this basis the allocation takes account of environmental constraints and is consistent with the objectives of Plan Policies 50 and 51 and with the Habitats Directive.
81. Policy 15 allocates land for 1600 homes. This recognises the site's full capacity and allows for masterplanning of the entire site, including the later phases which are intended to come forward after the end of the Plan period. However the policy as submitted assumes delivery during the Plan period to 1000 homes. This reflects wastewater treatment constraints which prevent development commencing until 2019 and allows for delivery of 100 dwellings per annum for the remainder of the Plan period.
82. Transport evidence tested up to 1350 dwellings on this site and the developer has indicated that a more ambitious rate of delivery can be achieved. As part of the evidence audit which was undertaken during the examination, the Council has modified the Plan to propose an additional 250 dwellings. This effectively brings forward some of the post Plan development proposed in this location. It is based on what the Council considers to be a realistic delivery rate of 125 dwellings per annum and allows for modest increases in other parts of the district to be identified within the overall capacity of the transport model.
83. On this basis and in order to boost the supply of housing in a sustainable location, modifications **MM46** and **MM48** are needed to increase the quantum of housing in this location to 1,250 dwellings.
84. The principle of vehicular access to the site has been established through work with West Sussex County Council and the Highways Authority and is summarised in the Transport Study. Policy 15 includes requirements for the provision of road access and for mitigation for off-site transport impacts, both of which are included in the IDP. Local residents have raised many detailed concerns about these matters. However masterplanning for the development is underway and this is the appropriate forum through which to address these concerns, as well as those regarding cycle and pedestrian routes. Paragraph 12.34 refers to specific junction and highway improvements, but these should be addressed as part of the masterplanning exercise and through a detailed Transport Assessment. To reflect this proposed modification **MM47** is necessary to ensure that the Plan provides a flexible basis for masterplanning.
85. Detailed questions have been asked about wastewater treatment capacity and I recognise that this is a matter of great concern to the local community. It is understandable that the absence of firm and detailed information about

routes to Tangmere WwTW or a potential on site treatment facility create scepticism. However the allocation is part of a strategic plan and at this stage, whilst it is necessary to demonstrate that there is a viable solution for wastewater treatment, it is not appropriate or necessary for detailed proposals for that solution to be submitted. Southern Water and the EA have confirmed that use of Tangmere WwTW is technically feasible and the developers have confirmed that an on-site treatment facility is a viable fallback solution. In these circumstances the provision of wastewater treatment facilities does not present a barrier to developing the West of Chichester SDL as set out in Policy 15 as modified by **MM46** and **MM48**.

Shopwyke SDL

- 86 As drafted Policy 16 requires masterplanning for all development within the allocation. However this does not take into account that a large part of the area already has outline planning permission, making it impossible for any remaining areas to be part of an overall masterplan. In particular the SDL boundary encompasses two sites, Portfield Depot and UMA house, which lie outside the area with planning permission. These sites are currently employment land, but they were not assessed through the ELR and it is argued that their retention for employment use is not viable. It is therefore argued that the allocation at Shopwyke should be increased to 585, to include the additional potential for housing development on these two sites.
- 87 The Council has no objection to the principle of residential development on these sites, subject to justification of the loss of employment land and to issues such as highway access and contamination being addressed. However the necessary preparatory work to support residential development here has not been undertaken. On this basis there is no justification to increase the allocation as suggested.
- 88 However the Council has suggested three modifications to Policy 16 and the supporting text which I consider are required to ensure that the Policy is effective and plans positively for the whole of the allocation area. These modifications, **MM51**, **MM52** and **MM53**, address the fact that land outside the area with outline permission cannot be part of a masterplan but that later development on the SDL should integrate with other development on the site. They also confirm that land on the remainder of the allocation area will be reviewed as part of the SAD.
- 89 Subject to these modifications I am satisfied that the allocation of the Shopwyke SDL is soundly based and deliverable.

Westhampnett/North East Chichester SDL

- 90 The SDL lies between Chichester city and the Goodwood Motor Circuit and Airfield (Goodwood). Policy 17 allocates a large area of land, but due to significant landscape and environmental constraints it directs development to the south east part of the site and land adjacent to the eastern edge of Chichester city. Constraints include the River Lavant floodplain, views towards and from the SDNP and noise from activity at Goodwood. The developers for the site argue that the Council's assessment has not been rigorous and does not justify restricting development to such an extent.

They argue that a larger part of the site can be developed and that the SDL is capable of delivering more than the 500 dwellings allocated.

- 91 I recognize that there may be some inconsistencies between the Council's assessment of landscape and visual amenity considerations in its evidence base, the SA and in the supporting text to Policy 17. However I am satisfied that its overall approach is justified by the evidence base as a whole and by the requirement to conserve the natural beauty and the setting of the SDNP. It is clear that new development in the area to west of the River Lavant would be visible from the Trundle, in the SDNP. However in my assessment development in this location would appear against the backdrop of Chichester city and would appear as a modest extension of the existing built up area.
- 92 It is also argued that there is no robust or credible evidence to support the Plan's requirement that housing development should not be within 400 metres of the Goodwood boundary. I have carefully considered the detailed Noise Assessment Report that has been submitted by the developers and noted all the points that were raised on this matter during the examination, including the Council's evidence of operational issues in dealing with complaints about noise generated by activities at Goodwood.
- 93 It is clear that the proposed 400 metre buffer does not follow an exact noise contour. It is a precautionary buffer based on the Council's own experience of receiving complaints, as well as the need to allow space for any noise attenuation measure that may be necessary and for visual screening of the new development. Furthermore I note that paragraph 12.48 of the Plan does not preclude limited development taking place within 400 metres of Goodwood. Taking account of these points I do not consider that the Council's failure to apply a precise, scientific approach to determine the width of the buffer zone makes the allocation unsound. I am satisfied that the Plan's flexible and pragmatic approach in addressing the buffer between Goodwood and new housing development is appropriate and effective.
- 94 The Council has sought to ensure that development on this SDL is integrated with development on sites in the Chichester city north area, as proposed in Plan Policy 14. In response to concerns about the nature of integration required the Council has proposed modifications **MM38**, **MM42** and **MM55** which are necessary to clarify that linkages are required only with the part of the development to the west of the River Lavant that is immediately adjacent to the edge of the city.
- 95 The SDL map (Map 12.7) currently encompasses a number of properties on the north of Madgewick Lane which are in separate ownership and which should not be indicated as part of the allocation. Modification **MM56** is required to amend the SDL boundary to ensure accuracy.
- 96 I have taken account of all the other points raised through the examination but I am satisfied that subject to the above modifications the Westhampnett/ North East Chichester SDL is soundly based and deliverable.

Tangmere SDL

- 97 Policy 18 allocates land at Tangmere for mixed use development, to include 1000 dwellings and community facilities. It has been argued that Tangmere is not a sustainable hub, but a service village with few facilities and an existing business park which is not thriving. However Policy 2 of the Plan identifies Tangmere as a settlement hub where there is potential for new development to reinforce its role by providing homes and enhancing existing facilities, retail provision and employment opportunities. The opportunity to deliver these benefits, together with Tangmere's location on the east-west corridor and close to Chichester city, justify its allocation as a strategic location for development.
- 98 The allocation is being delivered through a NP with the Parish Council leading the process and a developer consortium represented on the steering group. The NP will translate the requirements of Policy 18 into a concept statement which will inform the masterplan to be prepared by the developer consortium. In order to ensure that the Plan is accurate the SDL Map 12.8 should be modified to exclude the existing Health Centre and Saxon Meadow, in Church Lane, as set out in **MM58**.
- 99 It is suggested that the site could deliver more than the 1000 dwellings proposed in Policy 18. However the importance of maintaining the character and identity of the existing village and its heritage interest, together with the need to take account of views to the Cathedral spire and views to and from the SDNP, justify the level of housing development proposed.
- 100 Policy 18 sets out the requirement for road access to be provided from the A27/ A285 junction as part of the development. For clarity a further requirement to link with Tangmere Road should be included in the Policy, as set out in **MM59**. Some concerns have been raised about the provision of safe access across the A27 to Chichester for pedestrians and cyclists. Policy 18 includes a requirement for improved public transport and cycle routes linking Tangmere with Chichester and nearby settlements, and it is appropriate that these matters should be addressed in further detail through the masterplanning process.
- 101 Development at Tangmere will be reliant on additional wastewater capacity at Tangmere WwTW. The housing trajectory takes account of the timescale for the planned upgrade of this facility, with delivery of housing on the Tangmere SDL commencing from 2019.
- 102 On the basis of all the evidence and taking account of all matters raised through the examination, I am satisfied that subject to the modifications **MM58** and **MM59** the allocation at Tangmere SDL is soundly based and deliverable.

Southbourne Strategic Development (Policy 20)

- 103 Southbourne is situated in the east-west corridor and is identified in Plan Policy 2 as a settlement hub suitable for medium scale extension. Whilst acting as a service centre for the surrounding area, it remains a compact village in a rural setting situated between the SDNP and Chichester Harbour

AONB. Further constraints to development are presented by restricted capacity at Thornham WwTW and Southbourne's proximity to the Chichester Harbour SPA.

- 104 Policy 20 proposes to deliver 300 homes through a NP. The NP is at an advanced stage and is likely to deliver around 350 dwellings, with emerging proposals focusing on sites to the south of the railway. The SHLAA identified sites to deliver as many as 1500 dwellings in Southbourne and it is argued that taking account of the constraints to development Southbourne is capable of delivering up to 600 dwellings.
- 105 However the Transport Study did not test above 400 dwellings in Southbourne and the NP proposals for 350 dwellings allows for a further 50 to come forward on windfall sites within the transport model. On the basis of the existing evidence, including settlement capacity, landscape assessments, SA and the Transport Study, the Plan demonstrates a measured approach to balancing the need to maximise housing delivery with landscape sensitivity and environmental designations. I recognise that Southbourne has been identified as a strategic location for development and should do more than meet local needs. Furthermore it is clear that there may be additional, deliverable sites that could be allocated to increase delivery in Southbourne. However the delegation of site allocation to the NP gives empowerment and responsibility to the local community and other stakeholders. Any increase in housing numbers at this stage would undermine the NP process.
- 106 In conclusion, the proposals set out in Policy 20 are justified by the evidence which demonstrated that 350 dwellings are deliverable in this location. The reliance on neighbourhood planning to identify sites and amend settlement boundaries is addressed in the next issue.

East Wittering/ Bracklesham Strategic Development (Policy 24)

- 107 East Wittering and Bracklesham are considered together and identified as a settlement hub in Policy 2 of the Plan. Despite its limited employment opportunities and the absence of a secondary school and leisure centre, this settlement is identified in the SCP as a sustainable location for a limited amount of development. The Council has confirmed that there is available capacity at the Sidlesham WwTW and that proximity to Chichester Harbour SPA and to the compensatory habitat within the Medmerry Managed Realignment Scheme is not an absolute constraint to additional development in the village. The appropriate level of housing has therefore emerged by taking account of limited accessibility to employment and transport constraints, with particular difficulties caused by road congestion in and out of the village to schools, employment and other facilities. Policy 24 proposes an allocation of 100 dwellings, which recognises these constraints.
- 108 Through the evidence audit undertaken during the examination the Council identified capacity for a further 210 dwellings at East Wittering/Bracklesham. However in re-evaluating the potential of the village to accommodate additional housing the Council looked again at the constraints which led to the original Parish number of 100. It also had to take account of the way in which the additional 415 dwellings that can be allocated as a result of the

evidence audit is distributed across the Plan area. This has led to a target of 180 dwellings to be allocated in East Wittering/Bracklesham, as set out in **MM63** and **MM64**. Policy 24 states that the land will be allocated in the NP and the following issue addresses this in detail.

- 109 It is argued that East Wittering /Bracklesham is capable of accommodating more than the 180 dwellings now proposed. However the Council's reasoning in proposing an increase of just 80 dwellings at this stage is logical and reflects identified constraints. The early review of the Plan, proposed through **MM09**, will enable any emerging details on highway improvements to be taken into account. This will be the appropriate stage to assess the sustainability of increased housing provision at East Wittering/ Bracklesham.

Issue 7 – Do proposals to identify sites through NPs and the SAD provide a robust mechanism for delivering housing on the strategic developments, Parish housing sites and in Chichester city in accordance with the trajectory?

- 110 The Council has encouraged the use of NPs to carry forward the housing figures set out in the SCP and a number of local communities have addressed this task with enthusiasm and professionalism. The Plan relies on NPs to allocate land for housing in strategic developments at Southbourne, Selsey and East Wittering/ Bracklesham and to identify sites to meet local need in many of the district's parishes. In locations where NPs are not made sites for housing and, where appropriate employment, are to be delivered through the SAD. Either the NPs or the SAD will set the settlement boundaries.
- 111 Sites to be identified through the NPs have an important role in delivering housing, particularly before the SDLs start to deliver in 2019, and the trajectory shows that Parish housing sites are expected to deliver housing from 2016/17. During the examination the Council prepared an up to date summary of NP coverage and progress. This demonstrates that in the south of Plan area there are only 3 Parishes and Chichester City that are not preparing NPs whilst in the north of the district 3 NPs are underway and one has been made. Some NPs, such as those at Birdham and Southbourne, are at an advanced stage whilst others have not yet commenced. In some areas housing sites are being developed in advance of the NP.
- 112 If NPs stall then sites will be allocated through the SAD. The SAD will be subject to public consultation later this year and the Council has confirmed that it will assess progress on the NPs at this stage to identify areas where sites need to be identified through the SAD. On this basis there is a fixed point when the capability of NPs to deliver housing will be assessed and this will act as a trigger to transfer the task to the SAD if necessary.
- 113 It is argued that reliance on NPs could pre-empt the strategic decisions in the Plan and act as a constraint on housing development. However the emerging NPs have been proceeding alongside the Plan and are informed by the same evidence base. Information to date shows that NPs are more likely to over than under deliver.
- 114 Proposals for housing development in Chichester city are included in Policy 5

with an indicative number of 150. However the evidence audit identified capacity for an additional 85 dwellings and through modifications **MM17**, **MM19** and **MM29** the Plan now proposes allocating a total of 235 in Chichester city and clarifies that they will be identified through the SAD. It is also confirmed that these sites may be located adjoining the Chichester city settlement boundary, including south of the A27. These modifications should be made to support the overall uplift in housing supply identified through the audit, address the potential of edge of settlement sites and to confirm that housing in Chichester city will be delivered through the SAD.

- 115 The Plan takes the opportunity that NPs offer to give communities a direct influence on the location of new housing in the Parishes and around settlement hubs. Evidence to date demonstrates that the process is succeeding and when made, the NPs will sit alongside this Plan as part of the development plan. In some locations housing sites will be identified through the SAD, which will be prepared directly after this Plan and will take over where NPs do not deliver. Thus the Plan provides a robust strategy for delivering housing to address the needs of local communities.

Issue 8 – Are the Plan's environmental policies soundly based and consistent with the NPPF?

Is the Plan's approach to sustainable design and construction justified and consistent with national policy?

- 116 Policy 40 sets standards of energy efficiency by referring to the Code for Sustainable Homes and BREEAM. This approach is not clearly justified and does not align with the government's objective of setting energy standards through the Building Regulations. However the Council, supported by the EA, contend that it is appropriate to set a higher standard for water usage to reflect the district's location in an area of water stress. Whilst this approach is not supported by all interested parties, I am satisfied that it is justified and necessary. Modifications **MM93**, **MM94** and **MM95** are therefore needed to set effective criteria and ensure consistency with government policy.

Should Policy 39 address refer to the impact of development on air quality?

- 117 Policy 39 sets out the criteria that development should meet in relation to transport, parking and access. It is argued that attention should be drawn to the impact of development on air quality and the potential requirement for an air quality assessment. Modification **MM92** should be made to ensure that the Plan properly addresses air quality.

Does the Plan address requirements for surface water management and flood management effectively?

- 118 Policy 42 and the preceding text set out the strategy for addressing flood risk, including the need for new development to mitigate increased water run-off. As drafted they lack detail regarding the use of sustainable urban drainage solutions and omit reference to appropriate water management plan documents. To make the Plan effective in this respect the Council's proposed modifications **MM96** and **MM97** should be made.

Does the Plan set effective criteria for protecting the impact of development on the Chichester Harbour AONB?

- 119 In order to ensure that the Plan provides proper protection for the AONB and its setting from the impact of development the Council has proposed an amendment to require development to meet the policy aims of the Chichester Harbour AONB Management Plan. I agree that this modification is required, as set out in **MM98**, to ensure that the Plan is effective.

Does the Plan provide effective guidance for protecting heritage assets?

- 120 English Heritage has expressed concerns that Policy 47 does not provide a robust framework to enable the Council to manage applications for development that would affect a heritage asset. It is also argued that the Plan does not draw attention to the full range of tools that the Council will use to protect heritage assets. The Council and English Heritage have worked collaboratively to prepare a range of additions and amendments to the text and the policy and these are set out in modifications **MM100**, **MM101**, **MM102**, **MM103**, **MM104** and **MM105**.
- 121 Subject to these modifications I am satisfied that the Plan includes an effective strategy to ensure that the district's heritage assets can be protected and which is consistent with the NPPF.

Does the Plan include effective policies to protect and enhance biodiversity and green infrastructure?

- 122 Policy 49 sets out a range of criteria to ensure that new development protects, manages and enhances the district's ecology, biodiversity and geology. The second criterion requires development to avoid and mitigate harm to protected or important habitats or species. This should be changed, as set out in **MM109**, to require avoidance **or** mitigation.
- 123 The requirement for development to protect and enhance green infrastructure and contribute towards further provision includes a requirement for development to address any deficits in green infrastructure. It was agreed at the examination that this is not justified and should be omitted, as set out in modification **MM114**.
- 124 Appendix A is a detailed strategy for the provision and management of green infrastructure on and adjacent to the Plan's four SDLs. During the examination many concerns have been raised about the accuracy of the strategy and questions raised on matters of detail.
- 125 The Council has explained that this Appendix is to provide guidance in preparation of masterplans and planning applications for the four SDLs but that it is being superseded by the production of concept statements which are being prepared for each of the SDLs. Whilst the Appendix provides useful information it is not intended to constitute policy and this should be made clear through modification **MM120**.

Issue 9 –Monitoring and delivery

Does the Plan include an effective monitoring framework?

127 The monitoring framework as submitted includes an extensive list of matters to be monitored but many indicators are trend based and none provide a measurable trigger for action. The Council has amended the monitoring framework to reduce the number of matters but with improved measurability and clear triggers when action would need to be taken. The revised framework, as set out in **MM127**, should be included to ensure that the Plan provides an effective framework for monitoring the Plan's progress.

Does the Plan provide clear and consistent mechanisms for delivering development?

128 The Plan as drafted includes a number of inconsistencies and uncertainties about the way in which development will be delivered. In particular several policies refer to Area Action Plans which the Council now no longer intends to prepare. In most cases it is proposed that development will be taken forward through the SAD, NPs or supplementary planning documents.

129 The Council has suggested a number of modifications to address this issue and all are necessary for clarity. They are **MM1**, **MM25**, **MM27**, **MM28**, **M31**, **MM115** and **MM118**. Some concerns have been raised about the use of masterplans as proposed in Policy 7. However I am satisfied that the approach set out in the Plan is justified and subject to the above modifications it provides a robust mechanism to take developments forward with participation by relevant stakeholders.

Assessment of Legal Compliance

130 My examination of the compliance of the Plan with the legal requirements is summarised in the table below. I conclude that the Plan meets them all.

LEGAL REQUIREMENTS	
Local Development Scheme (LDS)	The Local Plan is identified within the approved LDS 2014 – 2017: April 2014, which sets out an expected adoption date of December 2014. Taking account of the time allowed for the Council to undertake the evidence audit and to consult on proposed modifications, the Local Plan's content and timing are compliant with the LDS.
Statement of Community Involvement (SCI) and relevant regulations	The SCI was adopted in January 2013 and consultation has been compliant with the requirements therein, including the consultation on the post-submission proposed 'main modification' changes (MM)
Sustainability Appraisal (SA)	SA has been carried out and is adequate.
Appropriate Assessment (AA)	The Habitats Regulations AA Screening Report (May 2014) sets out why AA is not necessary

National Policy	The Local Plan complies with national policy except where indicated and modifications are recommended.
Sustainable Community Strategy (SCS)	Satisfactory regard has been paid to the SCS.
Public Sector Equality Duty (PSED)	The Local Plan complies with the Duty.
2004 Act (as amended) and 2012 Regulations.	The Local Plan complies with the Act and the Regulations.

Overall Conclusion and Recommendation

- 131 The Plan has a number of deficiencies in relation to soundness for the reasons set out above which mean that I recommend non-adoption of it as submitted, in accordance with Section 20(7A) of the Act. These deficiencies have been explored in the main issues set out above.
- 132 The Council has requested that I recommend main modifications to make the Plan sound and/or legally compliant and capable of adoption. I conclude that with the recommended main modifications set out in the Appendix the Chichester Local Plan satisfies the requirements of Section 20(5) of the 2004 Act and meets the criteria for soundness in the National Planning Policy Framework.

Sue Turner

Inspector

This report is accompanied by the Appendix containing the Main Modifications