



Overview and Scrutiny

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Annual Report of Key Housing Delivery Statistics

Report by: Cabinet Member for Sustainable Communities

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Purpose

This report sets out, for the Committee's information, housing delivery monitoring statistics for 2021/22 and provides Members an update on existing, new, and proposed national and local initiatives that impact on the delivery of new housing.

Recommendations

That the Committee note the contents of the report.

1. Introduction

- 1.1. This report provides an overview of key housing delivery monitoring statistics in Chelmsford for the period 2021/22 (April 2021 – March 2022). The detailed information is contained within the Annual Report of Key Housing Monitoring Statistics attached at Appendix 1 of this report. This follows the eight previous Annual Reports which have been considered each year by the Overview and Scrutiny Committee since 2012.

- 1.2. This report provides an annual update on housing delivery statistics, including our performance against the annual housing requirement number and affordable housing delivery. In addition, it updates the Committee on national initiatives relating to housing supply as well as local initiatives to address housing need.

2. Context

- 2.1. Housing delivery has remained stable in 2021/22, with 866 completions recorded for the financial year. This is compared with 829 in 2020/21. Developers have reported issues in sourcing some building materials which has subsequently led to delays in construction. It should be noted that completions for the year still exceed the annual housing target of 805 dwellings per annum.
- 2.2. The delivery of housing is forecast using information obtained from developers to produce an annual Housing Site Schedule (HSS). The latest HSS (April 2022) indicates a steady increase in housing completions over the next five years.
- 2.3. Tables 1 and 2 demonstrate the level of housing planning permissions and completions over the last five years.

Table 1 - Numbers of New Homes with extant planning permission

| | April 2018 | April 2019 | April 2020 | April 2021 | April 2022 |
|---|------------|------------|------------|------------|------------|
| Net New Homes with extant Planning Permission | 7,735 | 6,694 | 6,566 | 5,532 | 6,204 |

Table 2 - Numbers of New Homes completed in Chelmsford City Council area (Annual Percentage Increase)

| | 2017/18 | 2018/19 | 2019/20 | 2020/21 | 2021/22 |
|-------------------------|------------------|-----------------|---------------|----------------|--------------|
| Net New Completed Homes | 1,008 (+0.5%) | 1,256 (+24%) | 832 (-33%) | 829 (-0.4%) | 866 (+4%) |

- 2.4. Table 4 of Appendix 1 (Net Total Completed New Dwellings) shows the number of dwelling completions over the last 10 years and includes a breakdown of the number of affordable housing units delivered. There has been a 51% decrease in the delivery of affordable housing units in the last year, with 130 delivered in 2021/22 compared with 264 in 2020/21. However, it is important to note that this is not because sites have stalled or there has been a reduction of the percentage of affordable housing secured through the planning system. The key reason is delays in sourcing construction materials. For example, delays on two strategic sites delivering affordable housing have led to 80 affordable units being completed in the first quarter of 2022/23 instead of quarter four 2021/22 as originally planned.

- 2.5. Therefore, when taking the period 2016/17 to 2021/22, 1,294 affordable units have been built which overall is 220 affordable units more than the cumulative need for this period (179 units per annum) equating to 20% more affordable units over the identified need in the Strategic Housing Market Assessment (2015).
- 2.6. The affordable housing completions in 2021/22 consisted of 87 shared ownership units, 42 affordable rented units and 1 social rent unit. The affordable housing for rent represents 33% of the total additional affordable housing, which is below the planning policy requirement on planning gain sites in the Local Plan to deliver 67% of affordable housing on threshold sites as affordable housing for rent; but planning policy requirements reflect permissions, rather than completions data. The affordable housing tenure split relating to the 2021/22 affordable housing completions does not reflect the planning permissions on the relevant sites, but rather the phasing of the affordable housing delivery within this particular monitoring year.
- 2.7. Of the 80 affordable housing units that completed in the first quarter of 2022/23 due to delays in sourcing materials, 60 were affordable housing for rent. Without the delayed delivery of these units, the affordable housing for rent completed in 2021/22 would have been 54% rather than the 33% referenced above.
- 2.8. The breakdown in bedroom size of the 43 affordable housing dwellings completed in 2021/22 compared to the identified need from the Strategic Housing Market Assessment Update (SHMA) (2015) is set out below in Table 3:

Table 3 - Bedroom size of Affordable Homes for Rent

| No. Bedrooms | Affordable Rent | | | | Sub-total |
|--------------|-----------------|----------------|----------------|--------------|-----------|
| | 1 | 2 | 3 | 4 | |
| 20/21 Q1 | 0 | 0 | 0 | 0 | 0 |
| 20/21 Q2 | 0 | 8 | 5 | 0 | 13 |
| 20/21 Q3 | 4 | 15 | 9 | 2 | 30 |
| 20/21 Q4 | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 4 | 23 | 14 | 2 | 43 |
| (SHMA %) | 10% (22.5%) | 53% (53.6%) | 33% (14.2%) | 5% (9.7%) | 100% |

- 2.9. The affordable housing completions data shows a more significant oversupply of three-bedroom dwellings and under supply of both one and four-bedroom dwellings, compared to the SHMA requirements. The Housing Additionality: Affordable Housing for Rent Planning Advice Note published in January 2022 seeks to address the undersupply of four-bedroom affordable housing for rent.
- 2.10. Table 4 below provides a summary of development progressions on key strategic sites. Since the last report, work has completed on the Peninsular and Former Royal Mail sites with further phases at Runwell Hospital, Beaulieu and Channels commencing.

Table 4 – Summary of Development Progression on Key Strategic Sites currently under construction

| Site | Total Homes | Completed ¹ |
|--|-------------|------------------------|
| Land north, south and east of Belsteads Farm Lane, Broomfield (Channels) - Phase 3c 3d and 5 | 240 | 182 |
| Land north south and east of Belsteads Farm Lane Broomfield (Channels) - Phase 6 | 128 | 38 |
| Greater Beaulieu Park, White Hart Lane, Springfield - Phase 1 - Zone C1 | 199 | 191 |
| Greater Beaulieu Park, White Hart Lane, Springfield - Phase 1 - Zone C2 | 123 | 116 |
| Greater Beaulieu Park, White Hart Lane, Springfield - Phase 2 – Zones F&I (Complete) | 254 | 254 |
| Greater Beaulieu Park, White Hart Lane, Springfield - Phase 2 – Zones K&L | 300 | 82 |
| Greater Beaulieu Park White Hart Lane Springfield - Phase 3 - Zone M, N & Q | 272 | 63 |
| Greater Beaulieu Park White Hart Lane Springfield - Phase 3 - Zone V | 145 | 39 |
| Former Runwell Hospital (St Lukes), Runwell Chase, Runwell, Phase 4 | 134 | 84 |
| Peninsular Site, Chelmer Waterside (Complete) | 448 | 448 |
| Land North of Copperfield Road (East Portion) | 198 | 193 |
| Former Royal Mail Premises Victoria Road Chelmsford (Complete) | 203 | 203 |

3. Chelmsford Housing Delivery Statistics

3.1. Set out within the Annual Report of Key Housing Monitoring Statistics at Appendix 1 of this report, there are five tables providing the following statistical information:

- 1) New homes in pre-planning stage;
- 2) New homes within current major planning applications;
- 3) New homes with planning permissions;
- 4) New homes completed;
- 5) Estimated housing trend.

¹ Total Completions as at Q2 2022/23

New Homes in Pre-planning Application Stage

- 3.2. At present, there are in the region of 1,400 new homes which are the subject of pre-application discussions with Officers. These consist of major development sites of 10 or more dwellings where an officer is actively engaged in discussions regarding the feasibility of a scheme.
- 3.3. There are several Planning Performance Agreements (PPAs) in place on the strategic allocations in the new Local Plan, which will include pre-application advice. Just over 9,400 dwellings are the subject of a PPA on the following sites:

Table 5 – Sites subject to Planning Performance Agreements

| Sites | Developer | Total number of dwellings |
|---|---|---------------------------|
| Former St Peter's College, Fox Crescent | ECC | 185 |
| West Chelmsford | Crest | 800 |
| East Chelmsford 3a | Hopkins | 250 |
| East Chelmsford 3c | Redrow | 100 |
| East Chelmsford 3d | Redrow | 50 |
| Great Leighs 7a | Strategic Site 7 Landowners | 750 |
| Great Leighs 7b | Strategic Site 7 Landowners | 250 |
| Great Leighs 7c | Strategic Site 7 Landowners | 100 |
| North of Broomfield | Bloor | 450 |
| North of South Woodham Ferrers | Countryside | 1,000 |
| Chelmsford Garden Community | Developer Consortium of Countryside Zest Halley Developments and Ptarmigan Land | 5,500 |
| Total | | 9,435 |

- 3.4 Table 1 in Appendix 1 provides an area-based summary of where pre-application discussions are in progress, with the total aggregated number of new homes expected. This figure also includes pre-application discussions on sites which already have outline planning permission on the reserved matter submissions.

New Homes within current major planning applications

- 3.5 There are 3,184 net new dwellings within major planning applications currently being considered by the City Council (as at 31/10/2022). A breakdown of these major applications is set out in Table 2 of Appendix 1, where a commentary is provided as to the status of each.
- 3.6 At the same time last year, there were 1,764 net new dwellings with planning applications currently being considered by the City Council. This reflects the success of the Local Plan bringing forward sites with over 2,500 net new dwellings currently being considered by the council being on sites allocated in the Local Plan.

New Homes with planning permission

- 3.7 There are 4,886 new homes which currently have a live (extant) planning permission but are yet to be built. Planning applications are time limited and require the commencement of development within three years of the date of the grant of planning permission.
- 3.8 The number of new homes with extant planning permission but yet to be built is very similar to this time last year where just over 4,750 dwellings had a live planning permission.
- 3.9 A breakdown of these applications is set out in Table 3 of Appendix 1 and is based on the April 2022 Housing Site Schedule. A revised Housing Site Schedule is published in April every year to reflect new approvals and completions.

New homes completed

- 3.10 Between 2001/02 and 2021/22 there have been 14,316 new homes completed in the City Council's area which equates to an average annual completion rate of 682 new homes per year. The annual totals are set out in Table 4 of Appendix 1. It is important to note that the major allocations for housing in the previous Local Plan are now all coming forward in a timely and planned manner.

Estimated New Home Completions Trends

- 3.11 As can be demonstrated above, there are a significant number of new homes currently being developed or in the pipeline within the City Council's administrative area. In addition to the supply of housing already with planning

permission, there are 3,184 new homes included within major planning applications yet to be determined by the City Council.

- 3.12 There are 4,886 new homes with planning permissions which are yet to be completed. Construction or groundwork has commenced on 123 sites, compared with 135 commencements this time last year. Just under 3,600 of the new homes with planning permission which are yet to be built, are located on the sites where construction or groundworks has commenced and not stalled.
- 3.13 Based solely on the information contained within Appendix 1, it is estimated that completion rates over the next 5 years will remain well above the annual housing requirement of 805 dwellings per annum.

Change of use from Office to Residential

- 3.14 The Government introduced changes to the planning system in May 2013 which allows offices to be converted into residential use without the need for a planning application to be made to the local planning authority. This has been replaced by a streamlined 'prior approval' process whereby applicants submit their proposals, and the Council can only comment on a narrow scope of issues. There is no ability to request affordable housing through this process, regardless of the number of units proposed.
- 3.15 The Council has processed just over 100 prior approval applications (up to 31 March 2022) for the conversion of offices to residential, resulting in a further 1,419 residential units with planning permission. Of these, 477 units have already been completed. These units are counted in the housing data within Appendix 1. The current regulations stipulate that prior approval schemes must be completed within three years of the date of the approval.

4. Housing Delivery Test

- 4.1. In January 2022, the fourth set of "Housing Delivery Test" results were published ('November 2021 results'). They set out a standard approach to measuring how well the delivery of homes is going and create a series of consequences on councils for failing the test.
- 4.2. The Housing Delivery Test works by comparing how many homes have been delivered over the previous three years to the number of homes required in the same period. The Housing Delivery Test is an annual test of housing delivery.
- 4.3. The planning policy consequences of not meeting the Housing Delivery Test are set out in the National Planning Policy Framework.
- 4.4. Where the Housing Delivery Test indicates that delivery has fallen below 95% of the local planning authority's housing requirement over the last three years, councils must complete an Action Plan to assess the causes of under delivery and identify actions to increase delivery in future years.

- 4.5. Where delivery falls below 85% of the housing requirement, councils need to add a buffer of 20% to their five-year housing supply to improve the prospect of achieving their planned supply.
- 4.6. Where the Housing Delivery Test results fall below 75% of the housing requirement over the previous three years, a presumption in favour of development applies.
- 4.7. The November 2021 Housing Delivery Test result in Chelmsford was 140%, 1% higher than the November 2020 test result (139%). At the time of drafting this report, the November 2022 Housing Delivery Test results has not been published. Officers anticipate the November 2022 test result for Chelmsford will continue to show that the delivery of homes has exceeded the housing requirement by a slightly lower margin of 121%; assuming the adjustment made to the housing requirement in the test year 2020/2021 remains the same.
- 4.8. On the 22 December 2022, the Government published the Levelling-up and Regeneration Bill: reforms to national planning policy. These include a proposed addition to the current Housing Delivery Test – an additional permissions-based test. This will ‘switch-off’ the application of the presumption in favour of sustainable development because of under-delivery where a local planning authority can demonstrate there are sufficient deliverable permissions to meet the requirement set out in its local plan.
- 4.9. To qualify for the Housing Delivery Test presumption ‘switch-off’, a local planning authority would need to have sufficient permissions for enough deliverable homes to meet their own annual housing requirement, if they have an up-to-date local plan. The proposed definition of ‘sufficient’ deliverable units is 115% of the housing requirement or local housing need.
- 4.10. If the presumption is switched off, a local authority would still be required to prepare an action plan that assesses the causes of housing under-delivery and identify actions to increase housing delivery in future years.

5. Housing Requirement

- 5.1. The Government published a standardised approach to calculating housing need in September 2018. The 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 undersupply. The standard method uses the same demographic starting point as the Council’s Objectively Assessed Housing Need, national household growth projections (the most recent projections calculated over a 10-year consecutive period, with the current year being the first year). The standard method then applies one market signal adjustment relating to a local affordability ratio. This is based on median house prices compared to median workplace earnings and is updated in March each year.

- 5.2. In February 2019, the Government updated the guidance to set the baseline using 2014 rather than 2016 based household growth projections. In Chelmsford's case, applying the standard method using the 2014-based population projections and March 2022 data release for the affordability ratio, produces a local housing need of 946 new homes per year, which is above the Objectively Assessed Housing Need of 805 homes per year.
- 5.3. The Local Plan's housing requirement is based on the Objectively Assessed Housing Need of 805 dwellings per annum and the Local Plan was examined on this basis. However, the housing supply in the Local Plan provides close to a 20% supply buffer above the Objectively Assessed Housing Need.
- 5.4. The Council will need to start to use the standard method at the first review of the Local Plan, which is required within five years of adoption and commenced in 2022. The national standard method identifies a minimum annual housing need figure, it does not produce a housing requirement figure. The Council has commissioned a Strategic Housing Needs Assessment to help determine this.
- 5.5. The proposed reforms to national planning policy published in December 2022, include making the outcome of the standard method an advisory starting-point to inform plan-making and providing more explicit indications in planning guidance of the types of local characteristics which may justify use of an alternative method.
- 5.6. The Government are not proposing any changes to the standard method formula itself or the data inputs through this consultation, however, they will review the implications on the standard method of new housing projections data based on the 2021 Census, which are due to be published in 2024.

6. [Planning White Paper – Planning for the Future and the new Levelling Up and Regeneration Bill](#)

- 6.1. The Planning for the Future White Paper published in August 2020 initially introduced and tested long term structural changes to the English planning system.
- 6.2. A proportion of the proposals in the White Paper have been taken forward in the Levelling Up and Regeneration Bill published in May 2022. The Bill also incorporates some of the ambitions set out in the Levelling Up White Paper, published in February 2022.
- 6.3. As already referenced in Sections 4 and 5 of this report, in December 2022 the Government published a Levelling-up and Regeneration Bill: reforms to national planning policy consultation. This seeks views on the governments proposed approach to updating the NPPF, as well as views on their proposed approach to preparing National Development Management Policies, how the government might develop policy to support levelling up, and how national planning policy is currently accessed by users.

- 6.4. The consultation proposes several specific changes, published alongside a tracked changes version of the NPPF, that would be implemented by Spring 2023, subject to the results of this consultation.
- 6.5. Alongside specific changes, the consultation calls for views on a wider range of proposals, particularly focused on making sure the planning system capitalises on opportunities to support the natural environment, respond to climate change and deliver on levelling up of economic opportunity, and signals areas that the Government expect to consider in the context of a wider review of the NPPF later in 2023 to follow Royal Assent of the Levelling Up and Regeneration Bill.
- 6.6. Whilst elements of this consultation are included in this report, the Council's response to this consultation will be considered at the February meeting of the Chelmsford Policy Board.

Levelling Up and Regeneration Bill

- 6.7. In terms of changes to the planning process, the Bill aims to give local communities control over what is built, where it is built, and what it looks like. Some of the reforms in the Bill that are more relevant to the delivery of housing include strengthening the role of local plans; continuing with proposals for a new locally set infrastructure levy to replace CIL and focusing on creating beautiful places and improving environmental outcomes. In sum, the Bill aims to:
 - **Build beautifully and refuse ugliness** by requiring every local planning authority to produce a design code for its area. These codes will have statutory status when making decisions on development, either through forming part of local plans or being prepared as a supplementary plan. The wider review of the NPPF later this year will reflect and consolidate these changes.
 - **Securing the infrastructure needed to support development:** The wider review of the NPPF later this year will support the implementation of a new Infrastructure Levy, as well as powers to pilot land auctions as an alternative way for authorities to identify land suitable for planning permission. It will also include new Infrastructure Delivery Strategies.
 - **More democratic engagement with communities on local plans:** The Bill includes measures to require locally prepared plans to be prepared to a two-year time frame whilst increasing the amount of community consultation undertaken within that process. In the wider review of the NPPF later this year, the Government will set out clear principles to be considered when preparing plans, where these are not already set out in the legislation, including the importance of effective community engagement in plan-making. In developing National Development Management Policies, the Government aim to support faster plan-making without undermining community control.

- **Better environmental outcomes:** The Bill aims to do more to measure and reduce emissions in the built environment through planning. It also aims to do more to support environmental enhancement, nature recovery and climate change adaptation; to mitigate the effects of pollution; and to embed reforms introduced by the Environment Act.
- **Empowering communities to shape their neighbourhoods:** The Bill aims to strengthen opportunities for people to influence planning decisions that affect their immediate area by giving increased weight to neighbourhood plans, introducing Neighbourhood Priorities Statements as a means for communities to formally input into the preparation of local plans, and allowing residents to bring forward the development they want to see on their street through new 'street votes'. The wider review of the NPPF later this year will support this.
- **Deliver more homes in the right places, supported by sustainable and integrated infrastructure for our communities and our economy** by getting the types and quality of homes that communities need in the right places and supported by the right infrastructure. Specifically, the reforms to the NPPF explore how national policy can be reframed to support smaller developers, self- and custom-build developers and other innovators to enter the market.

Reforms to national planning policy

6.8. In addition to the proposed changes to the Housing Delivery Test and standard method referenced above, this consultation also proposes:

- Removing the requirement for authorities to maintain a rolling five-year supply of deliverable land for housing where their plan is up to date.
- Reforming the 5-year housing land supply by dropping the requirement for a 20% buffer to be added for both plan and decision making and as a consequence of the Housing Delivery Test (where a local planning authority delivers less than 85% of the homes it is required). It also proposes to enable local authorities to include historic oversupply in its 5-year housing land supply calculations.
- Boosting the status of neighbourhood plans by increasing the protection to neighbourhood plans that are up to 5 years old instead of the current 2 years and removing tests which currently mean local planning authorities need to demonstrate a minimum housing land supply and have delivered a minimum amount in the Housing Delivery Test for Neighbourhood plans to benefit from the protection afforded by the NPPF.
- Placing greater weight on the most affordable housing tenure, social rent, in planning policies and decisions.
- Setting clearer expectations for older peoples' housing.

- Encouraging greater use of small sites to speed up delivery of housing, give greater confidence / certainty to SME builders and diversify the housing market.
- Encouraging a greater role for community-led housing groups in delivering affordable housing.
- Improving developer accountability by exploring whether past irresponsible planning behaviour should be considered when they are applying for planning permission.
- Improving build out rates by publishing data on developers of sites over a certain size where they fail to build out according to their commitments, requiring developers to explain how they propose to increase the diversity of housing tenures to maximise a development scheme's absorption rate and making delivery a consideration in planning applications. The government will also launch a separate consultation on proposals to introduce a financial penalty against developers who are building out too slowly.
- Making changes to the NPPF that emphasise the role of beauty and placemaking in strategic policies to further encourage beautiful development.
- Amending the NPPF to encourage local planning authorities to consider how they can ensure that planning conditions associated with applications reference clear and accurate plans and drawings, as well as clear conditions about the use of materials where appropriate, so they can be referred to as part of the enforcement process.
- Scoping out the principles that will guide the National Development Management Policies – existing policies in the NPPF aimed at decision-making; selective new additions to reflect new national priorities e.g., net zero policies that it would be difficult to develop evidence to support at a district level, and selective new additions to close gaps where existing national policy is silent and that regularly affect decision-making across the country. It is the government's current intention that National Development Management Policies, once introduced, would be set out in a separate document to the rest of the NPPF. The latter would be re-focused on principles for plan-making. National Development Management Policies would take precedence where there is conflict between them and development plan policies when deciding on a planning application.

6.8 Alongside this consultation of proposed changes to the NPPF, other changes to plan-making that will follow once the Bill has completed its passage through parliament include:

- Replacing the statutory duty to cooperate (which would be abolished by the Bill) with a new 'Alignment Policy' to secure appropriate engagement between authorities where strategic planning considerations cut across boundaries. This will be tested at Examination and, importantly, unlike the current system authorities and Inspectors would have the ability to amend Plans to improve alignment.
- Changing the 'soundness' tests for assessing draft plans which may be appropriate so that plan examinations are proportionate.
- Providing guidance on how infrastructure delivery strategies are to be prepared.
- Effective community engagement in plan-making, including through digital means.
- Taking Neighbourhood Priorities Statements into account when preparing local plans.
- Other procedural changes to plan-making, including a fixed timetable for local plan production, the role of gateway checks, new data standards, streamlined evidence requirements and the introduction of Environmental Outcome Reports.

7. National Initiative Update

Next Steps Accommodation Programme (NSAP)

- 7.1. In July 2020, the Government issued the Next Steps Accommodation Programme, which made financial resources available to local authorities and their partners to increase the accommodation and support for rough sleepers and single homeless, following the emergency response that began in March 2020 - reducing the risk that some may return to being homeless and rough sleeping.
- 7.2. Essex County Council submitted a bid on behalf of Chelmsford City Council and the neighbouring districts of Braintree, Epping, Maldon and Rochford. The Chelmsford element of the bid consisted of nearly £320,000 to provide:
 - An additional 73 units/bed spaces and support of intermediate accommodation from Autumn 2020 – March 2021 in a variety of accommodation settings.
 - For the refurbishment of a redundant hostel.
 - Longer-term revenue funding for 2-3 years to provide tenancy sustainment for 30 people a year to move on and avoid repeat homelessness, higher level support in hostel accommodation and a pilot 'Housing led/Housing First' scheme for the small number who, having been assessed, cannot be expected to manage in more communal supported accommodation and need ongoing intensive support e.g. in assessment hub (formerly night shelter). This will be reviewed in 2023.

- 7.3. The bid was successful, and all the above-mentioned schemes are now operational.

Rough Sleepers Accommodation Programme (RSAP)

- 7.4. In March 2021, the Government launched its Rough Sleeping Accommodation Programme 2021 – 2024 providing capital and revenue support to deliver additional units of longer-term move-on accommodation and support service.

- 7.5. Since March 2021, the Council has worked with partners to secure funding for the following projects:

- 8 fully self-contained apartments with support for rough sleepers with complex needs provided by Home Group (Chelmsford based);
- 15 additional bedspaces with support for those at risk of rough sleeping / homelessness due to leaving prison, provided by Housing Dilemmas (Chelmsford based);
- 15 bedspaces to be provided by Depaul in partnership with Essex County Council and Colchester Borough Council for young people at risk of rough sleeping/homelessness with volunteer host families as a night-stop scheme (joint initiative).
- Capital and revenue funding from Homes England has helped to extend the existing council owned hostel in Rainsford Lane to provide an additional 6 rooms with their own allocated bathroom and toilet. Support will be provided through an agreement with CHESS who are already providing immediate and move-on accommodation for single homeless / rough sleepers in Chelmsford, including an outreach service. This support will be complimented by Peabody and Sanctus who both provide a tenancy support scheme in the city, preparing people moving on into settled accommodation to reduce the risk of cyclical homelessness.

Single Homelessness Accommodation Programme (SHAP)

- 7.6. Chelmsford is only one of two local authorities in Essex that has been invited to bid for monies under the new Single Homelessness Accommodation Programme which aims to increase the supply of good quality, specialist supported accommodation and housing-led approaches. It provides an opportunity to bid for long-term supported housing, Housing First, and other housing led accommodation, and specialist housing for young people. The fund offers capital for accommodation alongside three years' funding of support.

- 7.7. Council officers are working with specialist agencies to prepare a bid for this fund to develop the specialist housing offer locally.

Affordable Homes Programme 2021 to 2026

- 7.8. In September 2020 the Government published details of its Affordable Homes Programme for 2021 to 2026, which provides grant funding to support the capital costs of developing affordable housing for rent or sale.

7.9. To receive grant funding, Registered Providers need to be a qualified Investment Partner of Homes England or be working with an organisation that is. There are two routes to access funding:

- Scheme by scheme bidding through continuous market engagement (CME).
- A multi-year Strategic Partnership to access grant for a longer-term development programme.

7.10. CME provides access to grant throughout the duration of the programme, while funding remains available. This route allows providers to apply for funding for individual schemes.

7.11. Strategic Partnerships are a range of tailored, longer-term deals for organisations that have the capacity and a successful track record of delivering large numbers of new homes at significant pace. This route gives partners the certainty of agreed funding for the duration of the deal, with greater flexibility to deliver within agreed parameters on location and tenure.

7.12. Chelmsford City Council became a Registered Provider in July 2020 to enable grant support to be secured on sites where the Council retains an interest in the dwellings.

7.13. In 2022, the Council achieved full Investment Partner status with Homes England with the ability to now submit bids for grant support through the CME route for development on Council owned land. Officers from the housing, planning and property services regularly meet with an Investment Partner at Homes England to bring forward a programme of Council owned sites that will form bid submissions to the Affordable Housing Programme 2021 to 2026.

7.14. Investment Partner status has enabled the Council to successfully apply for and receive grant funding to support the extension of the council owned hostel in Rainsford Lane as set out above, as well as securing capital grant to help deliver the new gypsy and traveller site in Drakes Lane.

Housing Infrastructure Fund

7.15. Funding from the Government's Housing Infrastructure Fund has been secured to support the delivery of housing in two of the strategic allocations in the adopted Local Plan.

Chelmer Waterside

7.16. Up to £13.7m from the Marginal Viability element of the Housing Infrastructure Fund has been secured to support the delivery of the new access road and bridge and removal of the high-pressure gas constraints. For this element of the Fund, Chelmsford City Council is in contract with Homes England.

- 7.17. The outcome of initial indicative viability work showed that it should be possible to recover approximately £12.2m of the £13.7m HIF grant. However, the increasing costs for the bridge might absorb the anticipated recovery.
- 7.18. Following the grant of planning permission for the new bridge in June 2021, the Council continue to work with the appointed contractor to prepare the detailed technical design of the bridge ready for it to be built. The design work stage will be completed in June 2023.
- 7.19. The first phase of the land remediation started in 2022. This has removed around 200 litres of non-aqueous phase liquids.
- 7.20. Planning permission for the relocation of the Gas Pressure Reduction System on the former Gas Works was granted in May 2022. This work commenced in November and will take up to 18 months to complete.
- 7.21. Cabinet adopted the Chelmer Waterside Development Framework in October 2021, and it has been used to start the process of selecting the Council's development partner.
- 7.22. Once the new infrastructure is delivered there is the capacity to deliver up to 1,100 new homes in this location, including 35% affordable housing.

NE Chelmsford - Chelmsford Garden Community

- 7.23 Strategic Growth Site Policy 6 – North-East Chelmsford, was given formal status as a Garden Community by Homes England in summer 2019 and encompasses the emerging communities of Beaulieu and Channels. The new development will deliver around 5,500 new homes, of which 35% will be affordable.
- 7.24 Stage 1 of the Masterplan Framework which is comprised of three core documents – the Development Framework Document, the Infrastructure Delivery Plan (IDP) and Planning Framework Agreement were presented to Chelmsford Policy Board in December 2022.
- 7.25 The delivery of the Chelmsford North-East Bypass (CNEB) and Beaulieu Park Railway Station are jointly funded through a £218 million Housing Infrastructure Fund award.
- 7.26 The HIF Grant Determination Agreement (GDA) includes a Recovery and Recycling Strategy completed in March 2021, and sets out a per dwelling tariff, secured through the s106 Agreement. This is applied to each of the sites (residential element) dependent on the infrastructure secured through the HIF award.
- 7.27 The HIF Recovery and Recycling Strategy shows the potential to recover a total of £95.5 million, across all the relevant sites, with the Chelmsford Garden Community site contributing towards £55.5 million of this total. The recovery

monies were intended to be recycled into another infrastructure scheme to bring forward additional residential development, with the dualling of the Chelmsford North-East Bypass identified as a potential recipient.

- 7.28 The IDP assumes a HIF Recycling contribution of £10,004 per dwelling to be paid on an equal basis across the delivery of the Garden Community.
- 7.29 It is possible that the actual construction costs of the CNEB will increase due to the cost of materials and inflation. The tendered construction costs will be known early in 2023. Officers from Essex County Council (ECC) and the City Council are in communication with colleagues at Homes England to update the HIF Recovery and Recycling Strategy in light of any changes.
- 7.30 Planning permission was granted by ECC for the Chelmsford North East Bypass in March 2022 and advanced works started in November 2022. Final planning permission was granted for Beaulieu Park Station in June 2022 and following contracts being finalised in December 2022, construction work is planned to start in early 2023.

Garden Community Capacity Fund

- 7.31 A further bid for Garden Communities capacity funding was submitted to Homes England in 2021. In 2022 it was announced that the bid was successful in securing £164,000 to help advance and inform the Development Framework Document and supporting documents. This funding will support a range of workstreams including:
- Dedicated ECC transportation planner and ECC infrastructure planner.
 - Continuation of Chelmsford City Council's independent advice provided by AK Urbanism, Dentons Lawyers, and LDA design landscape consultants.
 - Appointment of consultants Gerald Eve to provide infrastructure delivery and viability advice and Anthony Collins Solicitors to advise on future stewardship models.
- 7.32 A further award of £290,500 was awarded for four capital projects which are scheduled for delivery in 2023:
- Resurfacing Pegasus Crossing to Channels Cycle Route
 - White Hart Lane footway extension
 - Personal Mobility Scheme (extension of e-scooter trial area)
 - Beaulieu and Channels secure cycle storage.

8. Local initiatives to address housing need

- 8.1. As a local authority, the Council has limited influence on the national economic climate and policies. However, it can use other means to ensure we meet our obligations locally.

Chelmsford Housing Strategy 2022 – 2027

- 8.2. The Strategy was adopted in March 2022. It established 6 strategic priorities required to achieve a better, more balanced supply of homes that meet the Council's statutory duties and the City's strategic housing needs:

- Increasing the supply of affordable homes with a focus on larger units
- Increasing the supply of affordable homes from the existing housing stock
- Supporting landlords and tenants of privately rented homes
- Enabling the right supply of specialist housing to meet local need
- Developing effective partnerships
- Monitoring trends and performance to inform future actions.

- 8.3. Each strategic priority is accompanied by a range of initiatives and interventions summarised with the anticipated outcome in an Action Plan.

Affordable Housing Grant Funding Programme

- 8.4. In October 2022, Cabinet approved the award of grant funding for an affordable housing programme supporting the first two strategic priorities of the Chelmsford Housing Strategy, following a bid programme held between the 9 May 2022 and 20 June 2022.

- 8.5. The two supported proposals target schemes which would not, or only partially qualify for grant funding from Homes England.

- 8.6. The grant award will support the redevelopment / refurbishment of four three-bedroom chalet bungalows and one four-bedroom house to address priority housing needs.

Plan-making and Land Allocation

- 8.7. The Council is expected to allocate land for new development in the new Local Plan and ensure there is a rolling supply of deliverable sites to provide at least five years' supply of new homes. The Council adopted the Chelmsford Local Plan 2013-2036 on the 27 May 2020.

- 8.8. At the time of adoption, the Local Plan included provision for:

- around 9,579 houses on new site allocations
- around 1,200 houses on sites not identified (windfalls)
- around 11,064 new homes which already have planning permission
- 9 Gypsy and Traveller pitches
- 24 Travelling Showpeople plots.

8.9. The Council has commenced Masterplanning work on all the strategic sites allocated in the Local Plan. The Masterplans listed below have all been through the consultation process and approved by Cabinet:

- Strategic Growth Site 1b: former St Peter's College;
- Strategic Growth Site 2: West Chelmsford;
- Strategic Growth Site 3a: East Chelmsford, Manor Farm;
- Strategic Growth Sites 3B, 3C and 3d: East Chelmsford, land north and south of Maldon Road;
- Strategic Growth Site Policy 8: North of Broomfield;
- Strategy Growth Site 10: North of South Woodham Ferrers.

8.10. The Council published four more planning advice notes in 2022 to aid the implementation of Local Plan policies. Three of the notes focus on housing matters and have been drafted to respond to common queries, changes in national policy or updated evidence. They include:

- First Homes Planning Advice Note, which defines the policy compliant affordable housing requirement in development of 11 or more dwellings. It also provides direction on those elements of the First Homes national criteria that local authorities can adapt and technical guidance on the application of First Homes exceptions sites in Chelmsford
- Housing Additionality: Affordable Housing for Rent Planning Advice Note, which provides guidance on two circumstances where the Council seek to address the under-supply of larger affordable homes for rent. The first relates to sites allocated for housing in the Local Plan and where the supply of residential accommodation is higher than set out in the Local Plan. The second can related to all development sites of 11 or more residential units where there is potential to increase the proportion of four-bedroom affordable homes for rent
- Community-Led Housing Planning Advice Note which encourages learning and understanding of community-led housing in the development industry as well as setting out the enhanced role that communities can have in influencing increased provision of community-led housing.

8.11. The review of the adopted Local Plan commenced in 2022. An Issues and Options consultation ran for 10 weeks and closed in October 2022. A Housing Topic Paper was published alongside the consultation and identified several areas that we may explore for new or significantly altered housing related local policies including:

- 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.

8.12. For the purposes of the Issues and Options Consultation, the Council proposed a Housing Requirement figure of 1,000 homes per annum for the plan period 2022 – 2041. The revised Strategic Housing Needs Assessment will inform the final Housing Requirement Figure. Other evidence base documents being updated to inform the review of the Local Plan include the Strategic Housing and Employment Land Availability Assessment, the Gypsy and Traveller Accommodation Assessment and the Local Plan Viability Assessment.

9. Conclusion

9.1. Chelmsford has delivered 40% more homes than the number of homes required over the last three years. Housing Delivery has remained stable overall this year; but forecasts indicate that completion rates are set to remain above the annual housing requirement over the next 5 years. This is supported by the significant increase in the number of new homes within current major applications compared to the same period last year and progress on strategic sites in the Local Plan.

- 9.2. There has been a decrease in affordable housing delivered this year, but this reflects the phasing of affordable housing delivery rather than the percentage of affordable housing secured within planning permissions. Securing Investment Partner status with Homes England, continuing to attract grant funding through national funding programmes, targeted Planning Advice Notes and the adoption of the Chelmsford Housing Strategy are essential building blocks to address the urgent need for additional affordable housing in the area.
- 9.3. The Council will continue to monitor and respond to changes to the national planning framework and optimise opportunities to attract grant funding to support the delivery of housing and other essential infrastructure identified in the Local Plan.

List of appendices:

Appendix 1 – Annual Report of Key Housing Monitoring Statistics

Background papers:

None

Corporate Implications

Legal/Constitutional:

The statutory framework for planning obligations is set out in Section 106 of the Town and Country Planning Act 1990, as amended. Regulations 122 and 123 of the Community Infrastructure Levy Regulations 2010 (as amended) and paragraphs 54 to 57 of the National Planning Policy Framework (February 2019) set out the Government's policy on planning obligations.

The Levelling Up and Regeneration Bill is currently at the second reading stage in the House of Lords. When it achieves Royal Assent the full implications of final changes can be considered.

Financial:

The rate of new housing delivery directly impacts upon the amount of New Homes Bonus received by the Council and financial contributions to supporting infrastructure through the existing planning obligations process (Section 106 Agreements) and Community Infrastructure Levy receipts. The rate of delivery of new affordable housing for rent impacts on the Council's reliance on temporary accommodation,

including the most expensive forms of temporary accommodation provided in the form of bed and breakfast accommodation and nightly lets.

The council grant funding monies are required to be spent on affordable housing proposals having been secured in lieu of on-site contributions for affordable housing through planning obligations. The grant funding programme will address priority housing need and reduce the need and cost of temporary accommodation although they will result in a loss of interest when spent.

Potential impact on climate change and the environment:

The Local Plan promotes sustainable development and includes policies to mitigate and adapt to climate change and to protect the environment.

Additional new development outlined within the Chelmsford Local Plan could have an adverse impact on climate change and the environment. These can be mitigated by Building Regulation and planning policy requirements related to environmental sustainability.

The Housing and Regeneration Bill aims to do more to measure and reduce emissions in the built environment through planning. It also aims to do more to support environmental enhancement, nature recovery and climate change adaptation; to mitigate the effects of pollution; and to embed reforms introduced by the Environment Act. Any changes introduced by the Bill when it receives Royal Assent will be considered in the review of the adopted Local Plan.

Contribution toward achieving a net zero carbon position by 2030:

The Local Plan promotes sustainable development and includes policies to reduce carbon emissions e.g. NE4 Renewable and Low Carbon Energy and Site Allocations Policies.

Future additional new homes will be required to comply with Building Regulation and planning policy requirements. This includes the Future Homes Standard and emerging Future Buildings Standard.

The Review of the Local Plan will consider how policies can be strengthened/updated and some new policies introduced to better reflect the Council's Climate Change and Ecological Emergency declaration and Action Plan to make the Council's activities net-zero carbon by 2030 and recommendations of the Essex Climate Action Commission (ECAC).

Personnel:

None

Risk Management:

None

Equality and Diversity:

Housing delivery is important for all tenures and types of housing to meet the community's needs. The Council will need to undertake an Equalities and Diversity

Impact Assessment, if any new policies or procedures to be introduced or implemented, particularly to ensure that no identified group from within the Equalities Act is more affected than others.

There are no new policies recommended in this report.

Health and Safety:

None

Digital:

None

Other:

Consultees:

Chelmsford City Council – Sustainable Communities Directorate

Chelmsford City Council – Financial Services

Relevant Policies and Strategies:

Corporate Plan

The above report relates to the following priorities in the Corporate Plan:

Promoting sustainable and environmentally responsible growth to stimulate a vibrant, balanced economy, a fairer society and provide more housing of all types.

Making Chelmsford a more attractive place, promoting Chelmsford's green credentials, ensuring communities are safe and creating a distinctive sense of place.

Encouraging people to live well, promoting healthy, active lifestyles and reducing social isolation, making Chelmsford a more enjoyable place in which to live, work and play.

Bringing people together, empowering local people and working in partnership to build community capacity, stronger communities and secure investment in the city.

Chelmsford Local Plan 2013-2036

Chelmsford Housing Strategy 2022-2027

Chelmsford Homelessness and Rough Sleeping Strategy 2020-2024
