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# Chelmsford City Council Overview and Scrutiny Committee

**10<sup>th</sup> March 2025**

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## Annual Report of Key Housing Delivery Statistics

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### Report by:

Cabinet Member for a Greener Chelmsford

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### Purpose

This report sets out, for the Committee's information, housing delivery monitoring statistics for 2023/24 and provides Members with 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.

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## 1. Introduction

- 1.1. 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.
- 1.2. This report provides an overview of key housing delivery monitoring statistics in Chelmsford for the period 2023/24 (April 2023 – March 2024) and as such is a

snapshot for that period. This report would normally have been considered by the Overview and Scrutiny Committee in Autumn 2024 but due to the postponement of the meeting, and the need to consider other more urgent agenda items, has been delayed. The statistical information has not been updated because the statistical baseline has remained the same for the ten previous reports and provides a year-on-year comparison.

- 1.3. The information in the Appendix to this report is dynamic and in some cases is now out of date. For example, Table 2 in Appendix 1 includes Land West of the Fox and Raven Chelmer Village Way in the list of sites within major planning applications however this application was refused on the 11 February 2025. Also, Table 2 includes reference to a planning application relating to Strategic Growth Sites 3B, 3c and 3d North and West of Brick Kiln Road, Sandon but the application was withdrawn at the end of January 2025. Finally, the planning application relating to the Car Wash Centre in New Street also listed in Table 2, was granted planning permission on the 20 December 2024.
- 1.4. The Council's headline housing delivery data will be updated in April/May for the 2024/25 monitoring year and to inform the review of Chelmsford's Local Plan ahead of its submission for independent examination later in 2025.

## 2. Context

- 2.1. Housing delivery has increased by 23% in 2023/24, with 1,015 completions recorded for the financial year. This is compared with 822 in 2022/23. Completions for the year continue to exceed the annual housing requirement 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 2024) indicates a steady supply of housing completions over the next five years.

Table 1 - Numbers of New Homes with extant planning permission

	April 2020	April 2021	April 2022	April 2023	April 2024
Net New Homes with extant Planning Permission	6,566	5,532	6,204	4,163	3,261

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

	2019/20	2020/21	2021/22	2022/23	2023/24
Net New Completed Homes	832 (-33%)	829 (-0.4%)	866 (+4%)	822 (-5%)	1015 (+23%)

- 2.3. Tables 1 and 2 demonstrate the level of housing planning permissions and completions over the last five years.
- 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.
- 2.5. There has been a 25% decrease in the delivery of affordable housing units in the last year, with 164 delivered in 2023/24 compared with 219 in 2022/23. 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. Delivery of some key strategic sites has simply taken a few months longer than anticipated.
- 2.6. The affordable housing completions in 2023/24 consisted of 76 shared ownership units, 69 affordable rented units, 12 social rent units and 7 first homes units. The affordable housing for rent represents 49% 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 2023/24 affordable housing completions does not reflect the planning permissions on the relevant sites, but rather the phasing of the affordable housing delivery within this monitoring year.
- 2.7. The breakdown in bedroom size of the 81 affordable housing dwellings completed in 2023/24 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 Housing for Rent							
	1		2		3		4	Sub-total
23/24 Q1	8		6		2		5	21
23/24 Q2	0		0		4		2	6
23/24 Q3	12		8		2		3	25
23/24 Q4	14		15		0		0	29
TOTAL	34		29		8		10	81
(SHMA %)	42% (22.5%)		36% (53.6%)		10% (14.2%)		12% (9.7%)	100%

- 2.8. The affordable housing for rent completions data shows a significant oversupply of one-bedroom dwellings and under supply of two- and three-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

and the number of 4-bedroom dwellings for affordable rent that have completed this year has exceeded the target level.

- 2.9. Table 4 below provides a summary of development progression on key strategic sites. Since the last report, work has completed on further phases at Channels, Beaulieu and Runwell, with further phases at Runwell Hospital and Beaulieu commencing.

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

Site	Total Homes	Completed <sup>1</sup>
Land north, south and east of Belsteads Farm Lane, Broomfield (Channels) - Phase 3c 3d and 5 (complete)	240	240
Land north south and east of Belsteads Farm Lane Broomfield (Channels) - Phase 6	128	99
Greater Beaulieu Park, White Hart Lane, Springfield - Phase 2 – Zones K&L	300	239
Greater Beaulieu Park White Hart Lane Springfield - Phase 3 - Zone M, N & Q	272	208
Greater Beaulieu Park White Hart Lane Springfield - Phase 3 - Zones O & P	111	89
Greater Beaulieu Park White Hart Lane Springfield - Phase 3 - Zone V	145	89
Greater Beaulieu Park White Hart Lane Springfield - Phase 3 - Zone W	194	85
Land at Former Runwell Hospital (St Lukes), Runwell Chase, Runwell, Phase 5	71	36
Land at Former Runwell Hospital (St Lukes), Runwell Chase, Runwell, Phase 4 (complete)	134	134
Land at Former Runwell Hospital (St Lukes), Runwell Chase, Runwell,(complete)	29	29

### 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

<sup>1</sup> Total Completions as at Q2 2024/25

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

### **New Homes in Pre-planning Application Stage**

3.2. As of 03/10/2024, there are in the region of 4,000 new homes which are the subject of pre-application discussions with Officers, which is significantly higher than the 1,400 last year. 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 Local Plan, which will include pre-application advice. Just over 12,300 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
Great Beaulieu Park Chelmsford	Countryside Zest	1000
Former St Peter's College, Fox Crescent	ECC	185
West Chelmsford	Crest Nicholson	880
East Chelmsford 3a	Hopkins	360
East Chelmsford 3c and 3d	Redrow	174
Great Leighs 7a	Strategic Site 7 Landowners	750
Great Leighs 7b	Strategic Site 7 Landowners	190
Great Leighs 7c	Strategic Site 7 Landowners	100
North of Broomfield	Bloor	512
North of South Woodham Ferrers	Countryside	1,220
Chelmsford Garden Community	Developer Consortium of Countryside /L&Q, Halley Developments and Ptarmigan Land	6,250

The Meadows	Dominus	762
Total		12,383

- 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 reserved matter submissions.

### **New Homes within current major planning applications**

- 3.5 There are 11,547 net new dwellings within major planning applications currently being considered by the City Council (as at 03/10/2024). 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 6,637 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 just over 10,500 net new dwellings currently being considered by the council on sites allocated in the Local Plan.

### **New Homes with planning permission**

- 3.7 There are 3,261 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 A breakdown of these applications is set out in Table 3 of Appendix 1 and is based on the April 2024 Housing Site Schedule. A revised Housing Site Schedule is published in April every year to reflect new approvals and completions.

### **New homes completed**

- 3.9 Between 2001/02 and 2023/24 there have been 16,153 new homes completed in the City Council's area which equates to an average annual completion rate of 702 new homes per year. The annual totals are set out in Table 4 of Appendix 1.

### **Estimated New Home Completions Trends**

- 3.10 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 11,547 new homes included within major planning applications yet to be determined by the City Council.

- 3.11 There are 3,261 new homes with planning permissions which are yet to be completed. Construction or groundwork has commenced on 123 sites, compared with 118 commencements this time last year.
- 3.12 Based solely on the information contained within Appendix 1, it is estimated that completion rates over the next 5 years will remain above the annual housing requirement of 805 dwellings per annum.

### **Change of use from Office to Residential**

- 3.13 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.
- 3.14 The Council has permitted just over 110 prior approval applications (up to 31 March 2024) for the conversion of offices to residential, resulting in a further 1,585 residential units with planning permission. Of these, 715 units have 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. 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.
- 4.2. The planning policy consequences of not meeting the Housing Delivery Test are set out in the National Planning Policy Framework.
- 4.3. The November 2022 Housing Delivery Test result in Chelmsford was 121%, 19% lower than the November 2021 test result (140%) but still more than the requirement.
- 4.4. The November 2023 test result for Chelmsford, published in December 2024, was 116%, slightly lower than the previous year but still 16% more than the number of homes required during 2020/21 – 2022/23.

## 5. Housing Requirement

- 5.1. The adopted 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.
- 5.2. The Government first published a standardised approach to calculating housing need in September 2018. For many years the Standard Method used 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. Up until December 2024, the Standard Method used 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 applied one market signal adjustment relating to a local affordability ratio. This was based on median house prices compared to median workplace earnings and was updated in March each year.
- 5.3. In February 2019, the Government updated the guidance to set the baseline using the 2014 rather than the 2016 based household growth projections. In Chelmsford's case, applying the Standard Method using the 2014-based population projections and March 2024 data release for the affordability ratio, produced a local housing need of 913 new homes per year, which is above the Objectively Assessed Housing Need of 805 homes per year.
- 5.4. The Council needs to start to use the Standard Method at the first review of the Local Plan. The Standard Method identifies a minimum annual housing need figure, it does not produce a housing requirement figure. The Council commissioned a Strategic Housing Needs Assessment (SHNA) to help determine this.
- 5.5. The SHNA (2023) considered whether there are exceptional circumstances to move away from the Standard Method (either in an upward or downward direction). This looked at up-to-date demographic trends, past build rates and labour supply. Overall, the SHNA (2023) concludes that the Standard Method is a reasonable assessment of housing need for Chelmsford.
- 5.6. In July 2024 the Government published a draft National Planning Policy Framework (NPPF) for consultation. The then proposed changes have significant impacts on the plan-making process, particularly around the Standard Method. In addition to making the Standard Method mandatory, the consultation proposed a change to the formula to increase housing in areas of high demand/low affordability across a wider range of urban areas.
- 5.7. The new approach replaces household projections as a starting point with a percentage of existing housing stock levels, as they do not vary significantly over time. It then retains the current method of applying an adjustment for housing affordability using workplace-based median house price to median earnings ratio



but increases the significance of affordability by revising the multiplier to a proposed 0.8% from 0.25%. Also, it proposed that the average affordability over the three most recent years for which data is available will be used, rather than the most recent datapoint, to help smooth out changes in affordability and certainty on inputs/outputs of the method.

- 5.8. Unlike the previous method, the new Standard Method does not have a cap applied to limit the level of increase for individual authorities and it removes the urban uplift that was added in 2020 to increase the need figures for the top 20 major towns and cities.
- 5.9. The December 2024 NPPF amended the affordability multiplier again, increasing it from the proposed 0.8% to 0.95%, producing a revised (current) local housing need figure of 1,454 new homes per annum for Chelmsford. This represents a 59% increase on the April 2024 figure.
- 5.10. Further information on the reforms to the NPPF and other change to the planning system are set out below.

## **6. Levelling Up and Regeneration Act 2023**

- 6.1. In October 2023, the Levelling-up and Regeneration Act became law. Many of the measures in the Act, such as National Development Management Policies, will be implemented in due course through secondary legislation and / or regulations and / or changes to national policy.
- 6.2. The City Council responded to the consultation on the Levelling-Up and Regeneration Bill at Chelmsford Policy Board on [28th February 2023](#).
- 6.3. The Levelling-up and Regeneration Act includes reference to a new national Infrastructure Levy. The Government has since announced, as part of the July 2024 NPPF consultation, that this will not be taken forward.
- 6.4. The July NPPF consultation also clarified that whilst the Levelling-up and Regeneration Act 2023 will revoke the Duty to Cooperate in relation to the reformed plan making system, the Government propose to ensure that the right engagement is occurring on the sharing of unmet housing needs and other strategic issues, where plans are being progressed. Further information on this is provided below.

## **Proposed reforms to the National Planning Policy Framework and other changes to the planning system**

- 6.5. Originally published in 2012, the NPPF has been updated several times, with the latest version published in February 2025. The changes to the NPPF that are now reflected in the latest NPPF were proposed in a consultation held between 30 July 2024 and the 24 September 2024. The questions and proposed responses to the consultation were considered by [Cabinet in September 2024](#).
- 6.6. The consultation set out specific changes to the NPPF which include measures to seek to achieve universal national local plan coverage, economic growth and the building of 1.5 million homes over the next five years.
- 6.7. In addition to the proposed changes to the Standard Method referenced above, the Government also proposed the introduction of new Spatial Development Strategies to replace the existing Duty to Cooperate which will provide a strategic cross-boundary strategy for housing, infrastructure, economic growth and climate resilience. This will require new legislation to come forward.
- 6.8. The latest NPPF strengthens sanctions to ensure universal coverage of local plans with new transitional arrangements for local plans at an advanced stage of preparation (Regulation 19 on or before the 12 March 2025) and the draft housing requirement is at least 80% of the new Standard Method calculation of local housing need.
- 6.9. The latest NPPF reinstates the rolling five-year housing land requirement to be applied irrespective of whether there is an up-to-date local plan in place, as well as reinstate the universal requirement for a 5% buffer in the calculation.
- 6.10. The latest NPPF seeks to make wider changes to ensure local planning authorities can prioritise the types of affordable homes their communities need and includes the removal of the existing mandatory proportion of First Homes within the affordable housing requirement.
- 6.11. The latest NPPF also seeks to identify a new classification of 'Grey Belt' land within the Green Belt, to be used in the planning system through both plan and decision-making to meet development needs. There are proposed 'golden rules' for development land released in Green Belt - 50% affordable, with appropriate proportion being social rent, but this would be subject a viability test using a new Green Belt benchmark land value. Proposals for compulsory purchase for housing are also outlined.

## **7. National Initiative Update**

### **Next Steps Accommodation Programme (NSAP), Rough Sleepers Accommodation Programme (RSAP) and Accommodation for Ex Offenders (AFE0)**

- 7.1. Over the last four years an additional 83 units/bedspaces have been delivered in Chelmsford through these national programmes which have provided capital

and revenue funding for single-homeless people in need of support as well as accommodation. This includes 9 additional units that were completed in August 2024 as an expansion of the local AFEO scheme. Chelmsford is one of only two local authorities in Essex to benefit from the AFEO scheme.

- 7.2. Revenue funding is expected to continue into the next financial year ensuring continuous use of these units for those the Council has a duty to house.

### **Single Homelessness Accommodation Programme (SHAP)**

- 7.3. Over £1m capital funding has been secured from the Ministry of Housing, Communities and Local Government towards the development of 24 modular units for single homeless households as part of the re-development of CHESS' Site in West Hanningfield, which is expected to be completed by Spring / Summer 2025.

### **Local Authority Housing Fund Round 2 (LAHF2) and 3 (LAHF3)**

- 7.4. The Council secured capital grant funding under LAHF2 to provide 15 additional dwellings to provide homes for households on Afghan resettlement schemes and additional temporary accommodation for households owed a homelessness duty by the local authority.
- 7.5. We have been working in collaboration with a local registered provider to deliver these homes and all 15 have now been procured and all but one are now let.
- 7.6. The Council has also received an allocation of funding under LAHF3 and aims to repeat the same partnership approach to deliver a further 19 dwellings by the end of March 2026.

### **Housing Infrastructure Fund**

- 7.7. 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**

- 7.8. £13.7m from the Marginal Viability element of the Housing Infrastructure Fund has been secured and drawn down 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.
- 7.9. 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.

- 7.10. 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 is programmed to complete in July 2025.
- 7.11. Following the grant of planning permission for the new bridge in June 2021, construction works for the access road, bridge and traffic calming measures on Wharf Road commenced in October 2023 and are programme to complete in April 2025.
- 7.12. 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**

- 7.13. 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 part of the development will eventually deliver around 6,250 new homes, of which 35% will be affordable.
- 7.14. 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 and agreed by Cabinet in January 2023.
- 7.15. The delivery of the Chelmsford North-East Bypass (CNEB) and Beaulieu Park Railway Station are jointly funded through a £218 million Housing Infrastructure Fund (HIF) award. Due to significant increases in construction costs and inflationary pressures, the HIF award will now fund the first phase of the bypass.
- 7.16. 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. Essex County Council are currently reviewing the Recovery and Recycling Strategy considering changes to the GDA.
- 7.17. Planning permission was granted by ECC for the Chelmsford Northeast Bypass in March 2022 and advanced works started in November 2022. Final planning permission was granted for Beaulieu Park Station in June 2022 and construction work started in 2023 with a target opening date of the end of 2025.

## **Garden Community Capacity Fund**

7.18. 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.

7.19. A further award of £290,500 was awarded for four capital projects:

- Resurfacing Pegasus Crossing to Channels Cycle Route – now delivered.
- White Hart Lane footway extension – works due to commence January 2025.
- Personal Mobility Scheme (extension of e-scooter trial area) – traffic regulation order being progressed to allow extension of the trial.
- Beaulieu and Channels secure cycle storage – storage units manufactured and awaiting installation on site.

## **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 Chelmsford Housing 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.

8.3. Each strategic priority is accompanied by a range of initiatives and interventions. An annual update of these initiatives and interventions against the strategic priorities is provided in Table 6 below.

Table 6 – Chelmsford Housing Strategy 2022 – 2027 Actions Update

Strategic Priority	Actions
Increasing the supply of affordable homes with a focus on larger units	<ul style="list-style-type: none"> <li>• Completion of Strategic Housing Needs Assessment and Local Plan Viability Assessment updates to maximise the proportion of affordable housing for rent that can be secured through planning gain.</li> <li>• Four sites at pre-application stage that propose 100% affordable housing, predominantly for rent.</li> <li>• Secured planning permission for an additional 72 units of affordable housing on council owned land.</li> <li>• Enabled the acquisition of 10 larger units of temporary accommodation.</li> </ul>
Increase the supply of affordable homes from the existing housing stock	<ul style="list-style-type: none"> <li>• Chain building lettings agreed on a strategic site with larger houses.</li> </ul>
Supporting landlords and tenants of privately rented homes	<ul style="list-style-type: none"> <li>• Contribute to the East of England National Resident Landlords Association</li> <li>• Ongoing tenancy sustainment work in the private sector, including the Homes for Ukraine support.</li> </ul>
Enabling the right supply of specialist housing to meet local need	<ul style="list-style-type: none"> <li>• Provision of 9 flats with support from Housing Dilemmas.</li> <li>• Negotiations for Specialist Residential Accommodation provisions on strategic sites progressed.</li> <li>• Maximised opportunities through SHAP funds as referenced in section 7 above.</li> <li>• Advanced pre-application discussion on re-provision of supported accommodation for young people and additional modular temporary accommodation.</li> </ul>
Develop Effective Partnerships	<ul style="list-style-type: none"> <li>• Maintained Investment Partner status with Homes England and regular investment partnership meetings.</li> <li>• Review of the management of existing temporary accommodation commenced.</li> <li>• Maintained service level agreement with Eastern Community Homes and action plan to improve knowledge and awareness of community-led housing.</li> </ul>
Monitoring trends and performance to inform future actions.	<ul style="list-style-type: none"> <li>• Regular reviews of KPIs within the Housing Service.</li> </ul>

## Plan-making and Land Allocation

- 8.4. 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.
- 8.5. 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.
- 8.6. 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 7: Great Leighs.
  - Strategic Growth Site 8: North of Broomfield.
  - Strategy Growth Site 10: North of South Woodham Ferrers.
- 8.7. We need to review the Plan at least every five years to ensure that it remains up to date and continues to meet our needs for development growth to 2041. The review of the adopted Local Plan commenced in 2022. A Preferred Options consultation ran for 6 weeks from 8 May 2024 to 19 June 2024. A [Preferred Options 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.
- 8.8. For the purposes of the Preferred Options Consultation, the Council proposed a Housing Requirement figure of 1,000 homes per annum for the plan period 2022 – 2041 and this figure was considered a reasonable figure following completion of a new SHNA in 2023.
- 8.9. The SHNA identified a total affordable housing need in Chelmsford of 642 affordable dwellings for rent per annum, which is notionally 67% of the local housing need calculated using the Standard Method applicable at the time of the assessment. The SHNA considered this figure and noted that interpreting the affordable need figure in the context of the local housing need calculated using the Standard Method is not possible as the two do not measure the same thing. Many households already live in housing and do not therefore generate an overall net need for an additional home. When those already in housing are excluded from the affordable housing need calculation, the affordable need fell to 467 per annum.

- 8.10. The SHNA concludes that whilst there is no direct link between the affordable need and the overall housing need, the need for affordable housing is acute across the Council area. It recommended a 40% affordable housing target is tested on sites of 10 or more dwellings although notes that the amount of affordable housing delivered will be limited to the amount that can viably be provided.
- 8.11. The Local Plan Viability Update (2023) incorporated four sets of appraisals based on 30%, 35%, 40% and 45% affordable housing with sensitivity testing in relation to costs and values as well as variations in environmental and accessibility standards. The Update found that should the Council seek all affordable housing for rent as social rent, this would reduce the scope for affordable housing provision by 5%. The Update also shows that increasing the discount on First Homes is likely to have a substantial impact on the viability of development.
- 8.12. Updates to the SHNA and the Local Plan Viability Update have been prepared to inform the next stage of the review of the Local Plan – the [Pre-Submission \(Regulation 19\) Local Plan Document](#) – which is currently being consulted on. A summary of the latest housing issues and findings from the latest relevant evidence base documents is provided in the [Pre-Submission Housing Topic Paper](#), published on the Local Plan Review website as a document supporting the Pre-Submission (Regulation 19) Local Plan.
- 8.13. As referenced above, the latest NPPF contains transitional arrangements for plan-making stating that the policies in the latest version of the NPPF will apply other than in prescribed circumstances including where a plan has reached Regulation 19 on or before the 12 March 2025 and the draft housing requirement is at least 80% of the new Standard Method calculation of local housing need. In these circumstances, the plan will be examined under the December 2023 NPPF.
- 8.14. The Pre-Submission (Regulation 19) Local Plan proposes a housing requirement of 1,210 new homes per annum (22,990 across the plan period) which equates to 83% of the current NPPF local housing need figure of 1,454 calculated using the latest standard method.

## 9. Conclusion

- 9.1. Chelmsford has delivered more new homes than required over the last year and forecasts indicate that completion rates are set to remain above the annual housing requirement over the next 5 years.
- 9.2. The number of new homes with extant planning permissions has fallen by 23% during this monitoring period, however, the number of new homes that have completed has increased by the same percentage.
- 9.3. The number of homes in the planning system which are either the subject of pre-application discussions, PPAs or current major planning applications, are all



significantly higher than last year. Commencements are also slightly up on last year.

- 9.4. Whilst there has been a decrease in affordable housing delivered this year, the volume of new homes in the planning system on major applications shows supply is not forecast to fall in the medium term.
- 9.5. The SHNA shows the acute need for affordable housing for rent and progress in delivering against the priorities in the Chelmsford Housing Strategy remains a priority.
- 9.6. The review of the Local Plan is well underway and updated evidence base documents including the SHNA and Local Plan Viability have informed the Pre-Submission (Regulation 19) Local Plan.
- 9.7. The Council will continue to monitor and respond to changes to the national planning framework 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

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#### 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 Act 2023 will be implemented in due course through secondary legislation and / or regulations and / or changes to national policy.

##### 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.

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. This can be mitigated by Building Regulation and planning policy requirements related to environmental sustainability.

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 the Future Homes and Buildings Standards.

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:

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Consultees:

Chelmsford City Council – Sustainable Communities Directorate

Chelmsford City Council – Financial Services

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Relevant Policies and Strategies:

Corporate Plan

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

- A fairer and more inclusive place
- A greener and safer place
- A more connected place

Chelmsford Local Plan 2013-2036

Chelmsford Housing Strategy 2022-2027

Chelmsford Homelessness and Rough Sleeping Strategy 2020-2024

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