



# CHIPPENHAM NEIGHBOURHOOD PLAN\_

Chippenham Town Council

## Housing Mix Topic Paper

### Appendix 12



## POLICY OBJECTIVE(S)

- Ensure that new housing development contains the right type and mix of housing, including affordable and market housing to meet the identified needs of the whole community.

## A. INTRODUCTION

1. The Chippenham Site Allocations DPD allocated land for 2625 new homes in Chippenham. These have almost all now been subject to planning approval and many have been built. However, in the Review of the Local Plan, Wiltshire Council has indicated that it is likely that Chippenham will be the location for further housing growth.
2. The Neighbourhood Plan Steering Group were keen to ensure that new housing in Chippenham is affordable in accordance with local needs, acknowledging that many younger members of the local community have become priced out of the housing market despite being born and raised in the area. They were keen to ensure that a range of housing types and sizes are provided going forward in order to help meet local needs for different groups of the population in a sustainable manner, including new homes which meet the needs of an ageing population, thereby allowing people to live for longer within the local community.

## B. PLANNING POLICY CONTEXT

3. The Development Plan for Chippenham is:
  - a. The Wiltshire Core Strategy (2015)
  - b. Chippenham Site Allocations Plan (2017)
  - c. North Wiltshire Local Plan Saved Policies (2006)
  - d. Minerals Core Strategy (2009)
  - e. Waste Core Strategy (2009)
4. The Wiltshire planning policies are currently under review, with an emerging Local Plan currently in progress.

## National Planning Policy Framework (NPPF)

5. The following paragraphs of the NPPF are applicable:

**60.** ‘To support the government’s objective of significantly boosting the supply of homes, it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay’

**62.** ‘Within this context, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes).’

**63.** ‘Where a need for affordable housing is identified, planning policies should specify the type of affordable housing required, and expect it to be met on-site unless:

(a) off-site provision or an appropriate financial contribution in lieu can be robustly justified; and

(b) the agreed approach contributes to the objective of creating mixed and balanced communities’

A definition of Affordable Housing is provided in **Annexe 2**: ‘Housing for sale or rent, for those whose needs are not met by the market (including housing that provides a subsidised route to home ownership and/or is for essential local workers)’

**Annexe 2** provides 4 definitions of affordable housing: a) affordable housing for rent, b) starter homes, c) discounted market sales housing, and d) other affordable routes to home ownership.

## Wiltshire Core Strategy

6. Core Strategy policy 10 identifies Chippenham as a principle settlement where it has been assessed to have sufficient capacity to provide a mix of house types, for both market and affordable housing alongside the timely delivery of the facilities and infrastructure necessary to serve them.
7. Core Policy 43 requires affordable housing provision on sites over 4 dwellings to be 40% affordable. This has subsequently been overridden by Paragraph 64 of the NPPF which requires housing provision on sites of 10 or more dwellings (i.e. a major application).
8. Core Policy 45 (Meeting Wiltshire’s housing needs) requires new housing development, both market and affordable, to address local housing need incorporating a range of different types, tenures and sizes of home to create mixed and balanced communities. Housing mix will be required to reflect the demonstrable need for the community in which the site is located.
9. Core Policy 45 makes reference to the Wiltshire Strategic Housing Market Assessment (WSHMA) as the basis for defining demonstrable need. For affordable housing, Core

Policy 45 also considers other evidence such as the Council's housing register and local need surveys.

The Swindon and Wiltshire Strategic Housing Market Assessment (SHMA) report was prepared by Opinion Research Services (2017). The study was prepared under the NPPF 2012 and is therefore not up to date with regard to changes in the NPPF. This is particularly relevant with regard to the method used to assess Objectively Assessed Housing Need (OAN). The Local Plan Review will update the OAN based on the 2020 standard methodology<sup>1</sup> but this assessment has not been made available to the Neighbourhood Plan Steering Group at the time of writing.

The SHMA is based on 2012 population projections for Swindon and Wiltshire, updated in 2014, as a combined housing market area. However, it drew conclusions that would be helpful in the interpretation of Core Policy 45 in Chippenham. An additional 22,756 affordable houses will be required for the 2016-2036 period for the overall area, alongside an increase of 43,229 market houses (a requirement of 52% of all new houses to be affordable)<sup>2</sup> Housing Market Signals shows that house prices are lower in Chippenham than Wiltshire as a whole but higher than Swindon<sup>3</sup>.

The 2017 SHMA was subsequently updated by the Swindon & Wiltshire Local Housing Needs Assessment 2019 (LHNA), which suggested a lower overall housing need figure of 40,680 dwellings for Wiltshire as a whole based on the standard methodology at that time (which has subsequently changed). This update did not provide any figures for affordable housing need.

### Wiltshire Local Plan Review

10. The Wiltshire Local Plan Review (Regulation 18 draft, January 2021) indicated that the emerging strategy for 2016-2036 for Chippenham had an overall housing requirement of 9225 dwellings, which, after accounting for existing allocations, completions and permissions, left a residual requirement of 5100 dwellings to plan for. In addition to this, a 'brownfield target' for 2021-2031 of an additional 240 dwellings was included as an estimated amount of development that would come forward in the first part of the Plan period. However, the evidence base for the Regulation 18 draft is now being reviewed and will likely change for the Regulation 19 draft of the Local Plan.

### Chippenham Site Allocations Plan

11. The Chippenham Site Allocations Plan (2017) fulfilled Core Strategy Policy 10 to provide for at least 4,510 new home to be delivered by 2026. A residual requirement of 1660 dwellings was identified as needing to be planned for. Strategic allocations were made at South West Chippenham and Rawlings Green. Most of these allocations have now received outline planning permission and in some cases are being built out.

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<sup>1</sup> Standard methodology as set out in the Housing and Economic Needs Assessment guidance, Department for Levelling Up and Housing and Communities and Ministry of Housing, Communities & Local Government, 2015, updated 16 12 2020, para. 4

<sup>2</sup> Swindon and Wiltshire Strategic Housing Market Assessment, 2017, Figure 52.

<sup>3</sup> *ibid*, para. 4.71.

## C. REVIEW OF EVIDENCE

### Chippenham Housing Needs Assessment, AECOM, 2020

12. Because both the SHMA and LHNA operate at a very large scale, combining both Swindon and Wiltshire, the Neighbourhood Plan Steering Group commissioned AECOM to prepare a Chippenham Housing Needs Assessment (HNA) in 2020. This can be found is presented in Appendix 11 of the Neighbourhood Plan and is a refinement of the SHMA data.
13. The HNA sought to address three research questions:
  - a) What Affordable Housing (e.g. social housing, affordable rented, shared ownership) and other market tenures should be planned for in the housing mix over the Neighbourhood Plan period?
  - b) What type (terrace, semi, bungalows, flats and detached) and size (number of bedrooms) and tenures of housing is appropriate for the Plan area over the Neighbourhood Plan period?
  - c) What type (terrace, semi, bungalows, flats and detached) and size (number of bedrooms) and tenures of housing is appropriate for the Plan area over the Neighbourhood Plan period?

### Tenure and affordability

14. The vast majority of households in Chippenham are owner-occupiers (70%). This is followed by the social rented sector (15.5%) and private rented sector (12.8%).
15. Between 2001 and 2011, the largest change in the assessment was an increase in shared ownership (221.1%). Private rented homes also increased by 146.5%. Meanwhile, there was a small but notable increase of 18.7% in social rented homes and a minor decline of -0.6% in home ownership.
16. House prices have grown by 38.1% overall between 2001 and 2011. Semi-detached and terraced house prices both increased by 44%, compared to 32.9% growth for detached homes and just 26.4% for flats.
17. The approximate median and lower quartile incomes are £46,475 and £21,536 respectively. It is clear from this that the most affordable forms of tenure are social rent and affordable rent, but only social rent is affordable to those earning lower quartile incomes. Home ownership is out of reach for those on average incomes, but renting is relatively affordable and there is a market gap that could be filled by affordable home ownership tenures serving those who can afford to rent but aspire to buy.
18. The total estimated Affordable Housing need over the Plan period 2016-2036 is 1107 (rounded) affordable rented homes and 1536 affordable home ownership dwellings, or 2643 affordable homes in total. Despite the absence of a Housing Requirement Figure (HRF) for Chippenham over the Neighbourhood Plan period, it is unlikely that 40% of the final HRF will enable the delivery of 2643 affordable homes.

19. In accordance with Core Policy 43, 40% of all housing should be affordable. In Chippenham, with a housing requirement figure of at least 4,510 dwellings, this would equate to 1,804 dwellings that should be delivered as affordable, though this may change once the Review of the Local Plan provides new housing requirement figures. To ensure that the 1107 affordable houses for rent is delivered as a priority, 70% of the affordable housing allocation should be for affordable housing for rent. The remaining 30% should be for affordable home ownership. This will enable Chippenham to meet the current NPPF policy requirement of 10% of all homes to be delivered for affordable home ownership (in Chippenham, in line with Core Policy 43, this equates to 25% of the affordable housing requirement). A higher proportion of affordable homes for sale should be shared ownership as this can be significantly more affordable if sold with a lower equity. Therefore, 20% of affordable homes should be for shared ownership and 10% for discounted market sale.

### Type and Size

20. Chippenham has large proportions of detached, semi-detached and terraced homes (28.8%, 30.8% and 2% respectively) with similar proportions in the wider county (albeit with a significantly greater share of detached homes than terraced homes in Wiltshire as a whole). There is a significant proportion of flats in Chippenham (12.3%) compared to just 8.7% in the wider and more rural county.
21. The housing stock in Chippenham comprises medium to large dwellings, with almost all properties consisting of 3 or more rooms. This theme is broadly reflected at the LA level, though Wiltshire has a slightly higher proportion of the largest homes. The most common size of dwelling in the Neighbourhood Area and LPA is 3 bedroom properties, followed by 2 bedroom properties. Wiltshire has slightly more 5 or more bedroom homes.
22. The 2011 Census data reveals that Chippenham has a slightly lower percentage of people over 65 when compared with county and national figures (15% versus 18% in Wiltshire). Meanwhile, there is a slightly higher proportion of those aged 44 and under in Chippenham compared to Wiltshire (59% against 54%). It is evident that there is a slightly younger demographic in Chippenham than the wider county.
23. However, despite the proportions of young people in Chippenham being higher than Wiltshire, there has been a decline in those aged below 15 years (-3.5%) and also a notable decline of young adults (-11.2%) in those aged 25-44 between 2001 and 2011. Meanwhile, the rest of the population has grown markedly, especially for the 16-24 and 45- 64 age groups.
24. The final recommended dwelling size mix suggested in new development in Chippenham might involve the following share of dwelling sizes: 10% as one bedroom, 30% of as two bedroom, 40% as three bedrooms, 5% as four bedrooms and 15% as five or more bedrooms.
25. This analysis provides an indication of the likely need for different types and sizes of homes based on demographic change. However, it is important to remember that other factors should be considered in determining the dwelling mix that is desirable in

the assessment or on any particular site. These include the characteristics of the existing stock of housing, the role of the assessment or site within the wider housing market area (linked to any Wiltshire Council strategies or plans) and site specific factors which may justify a particular dwelling mix.

26. As such, the recommended dwelling mix should be interpreted as a guideline only and applied with a high degree of flexibility going forward.
27. In terms of the types of housing needed, it may be beneficial to diversify the housing stock to include more terraced homes and flats - an effort that would dovetail with the need to provide housing that is more affordable for local people, as these house types tend to be smaller and hence more affordable.

### Specialist Housing for Older People

28. The 2011 Census highlights the number of residents living in different types of communal establishments. Within Chippenham, it identified 96 residents living in care homes with nursing and 232 in care homes without nursing.
29. There are projected to be 5,333 households in Chippenham over the age of 75 by the end of the Plan period in 2036.
30. The proportion of elderly people in Chippenham is expected to grow to a total of 13% by 2036, from 7.1% in 2011. This is a slightly lower proportion than Wiltshire as a whole, which is expected to have 15.6% of residents aged 75 and over by 2036. This trend indicates a future increase in demand for homes that meet the needs of older people in the area, but still a relatively low overall need.
31. At least 628 specialist dwellings are required to service the needs of older people over the Plan period, and the projection of 697 dwellings should function as an upper, more aspirational target, to be provided if other constraints allow.
32. There are approximately 343 existing units of specialist housing for older people in Chippenham, for a 2011 population of 2,557 people aged 75+. This suggests the actual rate of provision in Chippenham is approximately 134 dwellings per 1000 population aged 75+. Referring to the minimum target, this means there are a net additional 285 specialist units (628 minus 343) that need to be provided over the Plan period.
33. Moreover, it is important to acknowledge that bungalows, especially 2-3 bedroom bungalows, may be in high demand, particularly given that the analysis of housing for older people suggests that a relatively high proportion of households can be expected to experience some form of mobility limitation by the end of the Plan period. To the extent that bungalows hold wide appeal among the existing population and can also be expected to meet the needs of many individuals whose mobility is limited a lot, they should be promoted in new housing where possible.



## D. COMMUNITY VIEWS

### Chippenham Neighbourhood Plan Community Survey

34. The Community Survey, carried out by the Neighbourhood Plan in 2020, asked specific questions about housing need. The full survey results can be viewed in Appendix 7. The survey results indicated a relatively close fit with the 2011 census data discussed in the Chippenham HNA. The level of home ownership is broadly as could be expected in comparison to the 2011 census data but it appears that the survey may under-represent people who rent.

**Table 1: Tenure in Chippenham**

Tenure	<i>Chippenham HNA (based on 2011 census)</i>	<i>Community Survey (2020)</i>
Owned	70 %	80%
Shared ownership	1%	6%
Social rented	16%	3%
Private rented	13%	3%

Source: AECOM Chippenham NP Housing Needs Assessment Table 4-1; Community Survey Q29. Note that the community survey had additional categories and that this column does not add to 100%.

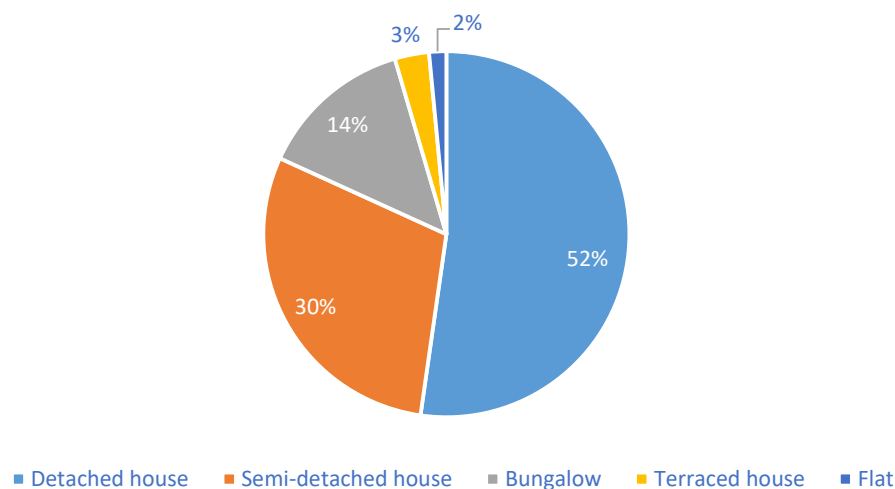
35. The Community Survey discounted people who were not seeking new housing (69% of respondents).<sup>4</sup> 27% of survey respondents who said they were looking for a new home or considering moving, said that they were looking to start their first home. A further 20% said they wanted to buy a new home but could not afford it, with 20% wanting to downsize to a smaller home.<sup>5</sup> The 132 respondents to the question about the type of housing sought showed a preference for detached and semi-detached houses, though 14% would have preferred a bungalow (Figure 1). This broadly supports the findings of the HNA and it can therefore be concluded that there is a demand for a proportion of bungalows as part of new housing provision.

<sup>4</sup> Chippenham Neighbourhood Plan Community Survey, 2020, Q30.

<sup>5</sup> Ibid. Q31.



**Figure 1: What Type of Home Would Best Suit Your Needs?**



36. The Survey respondents indicated that 5% would seek to have specialist housing.

37. 42% of respondents said they would need a three bedroomed house if they were to move, a further 28% said they would need four or more bedrooms and 26% said they would need at least two bedrooms. When combined, 97% of respondents said they would need at least two bedrooms.

38. In reference to Q.32 (housing type), most survey respondents said that they would need a detached or semi-detached house with between 2 and 4+ bedrooms if they were to move to a new property, now or in the next five years. These figures broadly support the findings of the HNA.

39. The level of affordability was explored by asking what families could afford to pay per month. Table 2 indicates that most respondents could not afford more than £700 per month.

**Table 2: Affordable Monthly Rent**

	<i>Percentage</i>	<i>Number of responses</i>
Less than £600 per month	25%	20
£600-£700 per month	35%	28
£700-£900 per month	10%	8
£900-£1000 per month	5%	4
£1000 - £1500 per month	19%	15
Over £1500 per month	5%	4

Source: Q36 community survey

## E. DISCUSSION

40. Core Strategy policies 43 and 45 require that planning decisions take account of locally defined housing need. The Neighbourhood Plan Steering Group considered the SHMA and commissioned AECOM to prepare a more refined and Chippenham-based housing needs assessment. The information from the Chippenham HNA has been verified by comparison to the Community Survey results which showed that the HNA recommendations were robust and should meet locally identified needs.
41. Proposals for 10 houses or more are required to provide 40% affordable housing. The HNA has recommended that affordable houses for rent should be a priority (70%) and that the remainder should be affordable home ownership (30%). Of affordable home ownership, 20% should be shared ownership and 10% discounted market sale. This can be summarised in the mix in Table 3 below.

**Table 3: Recommended Housing Mix for Chippenham to 2036**

<i>Tenure Type</i>	<i>Percentage of Expected Delivery</i>
Market Housing	60%
Affordable Houses for rent	28%
Shared Ownership	8%
Discounted Market Ownership	4%

42. The Community Survey indicated that in 2020, most people who wished to move could only afford rent or a mortgage of a maximum of £700 per household. In identifying housing types, applicants should justify their decisions on the level and type of affordable housing provided, and should also take account of local affordability (i.e. what local people can actually afford to pay).
43. The HNA has recommended that new development might involve the following share of dwelling sizes: 10% as one bedroom, 30% of as two bedroom, 40% as three bedrooms, 5% as four bedrooms and 15% as five or more bedrooms, and that it may be beneficial to diversify to include more terraced homes and flats, though 2-3 bedroom bungalows may be in high demand. 14% of the survey respondents indicated that they would wish to live in a bungalow if they were able to move. Therefore, in Chippenham, housing schemes of 10 units or more should aim to meet the mix set out in Table 4 of dwelling types, depending on market conditions and the characteristics of the individual site.

**Table 4: Recommended housing types (number of bedrooms) for Chippenham to 2036**

<i>Dwelling Size (number of bedrooms)</i>	<i>Percentage of expected delivery</i>
Five or more bedrooms	15%
Four bedrooms	5%
Three bedrooms	40% (of which 10-15% may be bungalows)
Two bedrooms	30% (of which 10-15% may be bungalows)
One bedroom	10% (of which 10-15% may be bungalows)

44. The HNA also identified that there is a need in Chippenham for additional specialist units for the elderly.

## F. CONCLUSION

45. The Chippenham HNA and Community Survey results have provided evidence of the level of affordable housing, and type of affordable housing, that is required to serve local housing needs in Chippenham in the period up to 2036. Similarly, they have provided evidence of the size and type of new housing that is required to meet future local housing needs. This future housing mix and type has been reflected in Policy H1 of the Neighbourhood Plan, and provides the locally defined housing need for Chippenham in accordance with Wiltshire Core Strategy Policies 43 and 45.