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Intelligent Land Winchester Local Plan Regulation 19 Consultation

Consultation to response to the delivery of housing

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October 2024



SMARTER DEVELOPMENT

Hillview Business Centre 2 Leybourne Avenue Bournemouth Dorset BH10 6HF

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| Report Presented by | Intelligent Land |
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SMARTER DEVELOPMENT

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1. Introduction

1.1 Intelligent Land has been instructed by Bloor Homes to provide an assessment of the housing land supply position in Winchester City Council as part of its consultation response to the Regulation 19 Local Plan.

2. The Reg. 19 Housing Requirement

Local Plan Period

- 2.1 The draft Plan proposes to deliver 15,115 dwellings (756 dpa) between 2020 and 2040:
- 2.2 The Regulation 19 Local Plan period is proposed to be 2020 to 2040. This timescale enables the Council to include high housing completions for the period from 2020 to 2023. Delivery has seen 3,170 dwellings built in this period (1,057 dpa), which reduces the overall requirement for the Plan period to 11,945 dwellings, reducing the annual requirement to 703 dpa.
- 2.3 The proposed use of 2020 as the Local Plan start date enables the Council to use high housing delivery years and reduce the outstanding requirement for years to come. This is considered contrary to the Government's objective to significantly boost the supply of homes. It is planning that looks backwards, whereas the new Plan should be focused on the future not an attempt to reduce the number of homes planned for, based on past performance. As such the Plan should cover the period from 2024 to 2041 and positively provide for future needs, ensuring there is at least 15 years from the date of adoption.

Requested Modification

1. The Reg 19 plan should be modified to reflect the most up to date housing delivery data which is presently from the end of March 2023.

The Spatial Areas

2.4 The Reg. 19 plan has identified delivery across three spatial areas. However, it does not make clear which of these are included in the Partnership for South Hampshire (PfSH). It is understood that historically Winchester City has not been included within the PfSH, but the reasoning for this is based more on house price comparisons rather than economic and spatial functionality. Winchester is part of South Hampshire in terms of connectivity, community, economic and housing functionality and as such should be considered a suitable location to accommodate unmet need from elsewhere in this area.

Requested Modifications

2. The Reg 19 plan should be modified to confirm how the delivery of housing in the three spatial areas relates to the PfSH area.

3. Winchester City should be identified as part of the functioning South Hampshire area and a location suitable to accommodate unmet needs from elsewhere.

Setting of the Housing Requirement

- 2.5 The housing requirement is based on the latest Standard Method of 676 dpa (13,520).An allowance of 1,900 dwellings is proposed to meet unmet needs within the PfSH related to predicted shortfalls in Portsmouth and Gosport.
- 2.6 However, the Council has accelerated preparation of the Plan in response to publication of the draft NPPF and proposed Standard Method for calculating housing requirements. The new Government has announced ambitious plans for increasing the delivery of housing and this should be reflected in the Council's new Local Plan. Additionally, the Government is requiring Council's to submit new local plans to the Secretary of State by the end of 2026, based on the soon to be confirmed NPPF and Standard method housing calculations. As such the Reg. 19 Local Plan is out of step with National Policy and the Council should be using the information it has gathered, and assessments undertaken, to deliver a Plan that matches the new National policies.

Housing Requirement Scenarios

2.7 Table 1 shows the difference between the current and proposed Standard Methods for the proposed housing requirement.

| | Dwellings per annum | Five Years | Reg. 19 Local Plan Period |
|---|------------------------|------------|------------------------------|
| Current Standard Method | 676 | 3,380 | 13,520 |
| Proposed Standard Method | 1,099 | 5,495 | 21,980 |
| Difference between Current and Proposed Standard Methods | 423 | 2,115 | 8,460 |

Table 1

2.8 Table 2 shows the difference between the proposed Local Plan requirement and the Government's new Standard Method.

| | Dwellings per annum | Five Years | Reg. 19 Local Plan Period |
|---|------------------------|------------|------------------------------|
| Reg 19 Local Plan | 756 | 3,780 | 15,115 |
| Proposed Standard Method | 1,099 | 5,495 | 21,980 |
| Difference between Reg.19 and Proposed Standard Method | -343 | -1,715 | -6,865 |

2.9 This shows how the proposed Regulation 19 Local Plan housing target is significantly below the proposed new Standard Method requirement. It is understood the Council will submit the Local Plan prior to the approval of the NPPF to use the transitional arrangements to continue to adoption. This does not positively boost the supply of housing as National policy requires and pursues an approach that delays delivery and bake in a lower requirement than recently delivered rates. As such the Local Plan should not be taken forward in its current form and instead be progressed using the new Standard Method requirement.

Requested Modification

4. The Government has set out a need for local plans to reflect the new NPPF and be submitted to the Secretary of State by the end of 2026. The Regulation 19 local plan is unlikely to comply with the new NPPF and in the event it is adopted, should include a modification confirming there will be an immediate review of the Plan.

Partnership for South Hampshire (PfSH)

- 2.10 The PfSH provides a strategic overview for the Southampton/Portsmouth hinterland, including the southern section of Winchester district. The PfSH published a Spatial Position Statement in December 2023, and this identified a shortfall across the area of 11,771 dwellings for the period 2023 to 2036. As such the Council is correct to accept part of the unmet need for the PfSH housing shortfalls. However, this shortfall does not include the final years of the Local Plan period and as such is likely to be larger than stated and should therefore be accepted as a minimum.
- 2.11 The new proposed Standard Method identifies increases in housing targets for all the districts except for Southampton. Table 3 shows this by comparing the proposed Standard method with the 2023 and 2024 Standard methods for the PfSH authorities.

| Comparing the 2023 and 2024 Standard Method Calculations with the Proposed Standard Method | | | | | |
|---|--|--|---|---|---|
| Local Authority | Standard Method (2023) Apportioned to PfSH (dpa) | Proposed Standard Method Apportioned to PfSH (dpa) | Difference between 2023 and Proposed Standard Methods | Standard Method (2024) Apportioned to PfSH (dpa) | Difference between 2024 and Proposed Standard Methods |
| Part East | | | | | |
| Hampshire | 113 | 215 | 102 | 115 | 100 |
| Eastleigh | 667 | 902 | 235 | 645 | 257 |
| Fareham | 541 | 794 | 253 | 498 | 296 |
| Gosport | 353 | 465 | 112 | 339 | 126 |
| Havant | 516 | 874 | 358 | 508 | 366 |
| New Forest | 1,056 | 1,465 | 409 | 729 | 736 |
| Portsmouth | 899 | 1,098 | 199 | 897 | 201 |
| Southampton | 1,475 | 1,295 | -180 | 1,473 | -178 |
| Part Test Valley | 182 | 396 | 214 | 225 | 171 |
| Part Winchester | 235 | 407 | 172 | 250 | 157 |
| Total | 6,037 | 7,911 | 1,874 | 5,679 | 2,232 |

2.12 Table 4 shows the impact of the proposed Standard Method on the PfSH assessment of delivery set out in the December 2023 Spatial Position Statement. This shows the significant scale of shortfall, and Winchester CC should take this into account when producing its plan. The Regulation 19 Local Plan fails to recognise this very significant shortfall in supply which emphasises the need for the Council to either abort further work on this plan or include the requested modification to confirm its immediate review.

Applying the Proposed Standard Method and Comparing with the PfSH Assessment of Supply for Remaining Years 2024 - 2036

| Local Authority | Proposed Standard Method Apportioned to PfSH (dpa) | Total housing need 2024 – 2036 | Identified Supply Apportioned to 2024 - 2036 | Shortfall/surplus |
|---------------------|--|-----------------------------------|--|-------------------|
| Part East Hampshire | 215 | 2,580 | 1,177 | -1,403 |
| Eastleigh | 902 | 10,827 | 5,686 | -5,141 |
| Fareham | 794 | 9,527 | 8,636 | -891 |
| Gosport | 465 | 5,575 | 2,324 | -3,250 |
| Havant | 874 | 10,488 | 3,789 | -6,699 |
| New Forest | 1,465 | 17,580 | 7,455 | -10,125 |
| Portsmouth | 1,098 | 13,181 | 10,434 | -2,746 |
| Southampton | 1,295 | 15,538 | 14,724 | -814 |
| Part Test Valley | 396 | 4,752 | 2,870 | -1,882 |
| Part Winchester | 407 | 4,884 | 2,820 | -2,064 |
| Total | 7,911 | 94,931 | 59,916 | -35,015 |
| Dwellings pa | | 7,911 | 4,609 | -3,302 |

Table 4

2.13 Although the Council is progressing its plan based on the current NPPF, the above information shows clearly the significant step change in housing delivery that is required.

3. Housing Supply

- 3.1 As set out earlier, a modification is sought to change the local plan cover the period 2024 to 2041. This change would mean the housing needs based on the current Standard Method would be 11,492 dwellings, plus the unmet needs allowance of 1,900, less 350 to be provided within the South Downs National Park. This gives an overall requirement of 13,042 dwellings which is 747 below the supply identified by the Council.
- 3.2 The proposed Reg. 19 plan identifies an oversupply of housing of 321 dwellings across a twenty year period, which represents just 16 dwellings per year and about 2% above the housing requirement. This is very marginal and is likely to fail through non or delayed delivery of identified sites. This would be contrary to paragraph 36 of the NPPF and as such at least 10% more homes should be planned for to ensure housing needs are met.

Requested Modifications

- 5. The Reg. 19 plan should be modified to allocate additional housing sites to meet the needs over the period 2024 to 2041.
- 6. The Reg. 19 plan should provide a greater margin for delivery against the housing requirement, and this should equate to a minimum of 10% more homes than the identified needs.

Method of Accounting for Delivery

- 3.3 The Council has published a Housing Topic Paper to support the Reg. 19 consultation. This does not identify the delivery of individual sites but does include tables outlining the trajectory of delivery through the proposed local plan period. These have been provided using both the Sedgefield and Liverpool methods and show high delivery in the early years. The NPPF encourages local planning authorities to use the Sedgefield approach, because it aims to meet housing needs sooner rather than later and therefore aligns with the NPPF's objective of boosting the supply of housing.
- 3.4 The Council should also note that in planning appeals the Planning Inspectorate often supports the Sedgefield approach as it aligns with the government's emphasis on tackling housing under-supply swiftly. As such, the Council should not use the Liverpool Method and recognise the importance of prioritising the delivery of housing as early as possible.

Requested Modification

7. The Plan should confirm that delivery trajectories are to be based on the Sedgefield Method for calculating housing supply.

Five Year Supply

3.5 The latest housing supply information published by the Council is contained in the Annual Monitoring Report (AMR) covering the period to the 1st of April 2023. IL has

reviewed progress on the delivery of key sites identified by the Council as of August 2024.

3.6 Tables 5 and 6 summarise the Council's and IL's housing supply assessment conclusions for the five year periods from 2023 and 2024.

| Five Year's Supply Category | Council's Position | Intelligent Land's | Difference |
|-----------------------------------|--------------------|--------------------|------------|
| 2023 - 2028 | | Position | |
| Large site with detailed planning | 799 | 799 | 0 |
| permission | | | |
| Strategic Allocations | 2,717 | 2,255 | -462 |
| Total Large Site Commitments | 3,516 | 3,054 | -462 |
| Committed small sites | 309 | 309 | 0 |
| SHELAA Sites | 114 | 12 | -102 |
| Windfall | 140 | 140 | 0 |
| Communal Accommodation | 73 | 73 | 0 |
| Total | 4,152 | 3,588 | -564 |
| Large sites with outline consents | 148 | 98 | -50 |
| / Local Plan Allocations | | | |

Table 5: Comparative Assessment of Supply Categories 23 - 28

3.7 Overall, IL consider that 564 dwellings do not meet the NPPF requirement for inclusion within the five-year housing land supply. Additionally, the Council assessment of large sites without planning consent identifies additional dwellings which could potentially contribute to the five year supply. However, the Council does not include these in its five year assessment as they do not meet the NPPF deliverability test. Nevertheless, IL has reviewed these sites and has concluded that some of these will not in any case deliver dwellings during the next five year period.

| Five Year's Supply Category 2024 - 2029 | Council's Position | Intelligent Land's Position | Difference |
|---|--------------------|--------------------------------|------------|
| Large site with detailed planning permission | 617 | 617 | 0 |
| Strategic Allocations | 2,595 | 2,205 | -390 |
| Total Large Site Commitments | 3,212 | 2,822 | -390 |
| Committed small sites | 247 | 247 | 0 |
| SHELAA Sites | 91 | 10 | 81 |
| Windfall | 210 | 210 | 0 |
| Communal Accommodation | 89 | 89 | 0 |
| Total | 3,849 | 3,378 | -471 |
| Large sites with outline consents / Local Plan Allocations | 378 | 110 | -268 |

Table 6: Comparative Assessment of Supply Categories 24 - 29

3.8 The Council has recognised the overall available supply will be lower for the five years from 2024 than for the five years from 2023. IL agree this is likely, but also consider the overall available supply is lower than estimated by the Council.

Current NPPF

3.9 The approach to calculating the requirement is that set out within the current NPPF and PPG. It is therefore based on the standard method, not including a 5% buffer. This means the annual requirement is 676 dpa and a five year requirement is 3,380 dwellings. Tables 7 and 8 show the latest five year housing supply position for the periods from 2023 and 2024 based on supply assessments undertaken by the Council and Intelligent Land.

| | Apr 2023- | Apr 2023-to March 2028 | |
|-------------------------------|-----------------|------------------------|--|
| | Local Housing | need Requirement | |
| | WCC | IL | |
| Annual Requirement | 676 | 676 | |
| Five year requirement | ement 3,380 3,3 | | |
| Assessment of supply | 4,152 | 3,588 | |
| Surplus / Shortfall (5 years) | 772 | 292 | |
| Years supply out of five | 6.1 | 5.3 | |

WCC Position

IL Position

Table 7: Comparison Housing Land Supply Positions

3.10 An assessment for the period 2024 to 2029 shows the five year supply situation is likely to deteriorate.

| | Apr 2024-t | Apr 2024-to March 2029 | | |
|-------------------------------|-----------------|------------------------|--|--|
| | Local Housing r | eed Requirement | | |
| | WCC | IL | | |
| Annual requirement | 676 | 676 | | |
| Five year requirement | 3,380 | 3,380 | | |
| Assessment of supply | 3,849 | 3,378 | | |
| Surplus / Shortfall (5 years) | 469 | -2 | | |
| Years supply out of five | 5.7 | 5.7 5 | | |

WCC Position

IL Position

Table 8: Comparison Housing Land Supply Positions

Impact of Proposed Standard Method and Changes to the NPPF.

3.11 Tables 9 and 10 show the significant impact of the proposed Standard Method on the five year calculations. As well as the increased local housing need figure, the Government proposes to revoke the 2023 NPPF and once more require a 5% buffer to be added to the five year requirement.

| | Apr 2023-to March 2028 Local Housing need Requirement WCC IL | | |
|-----------------------------------|--|-------|--|
| | | | |
| | | | |
| Annual requirement | 1,099 | 1,099 | |
| Annual requirement plus 5% buffer | 1,154 1,154 | | |
| Five year requirement | 5,770 5,770 | | |
| Assessment of supply | 4,152 3,588 | | |
| Surplus / Shortfall (5 years) | -1,618 -2,182 | | |
| Years supply out of five | 3.6 3.2 | | |

WCC Position

IL Position

Table 9: Comparison Housing Land Supply Positions

3.12 An assessment for the period 2024 to 2029 shows the five year supply situation is likely to deteriorate even further.

| | Apr 2024-to March 2029 Local Housing need Requirement | | |
|--|--|-------|--|
| | | | |
| | WCC IL | | |
| Annual requirement | 1,099 | 1,099 | |
| Annual requirement including buffer | 1,154 1,154 | | |
| Five year requirement including buffer | 5,770 5,770 | | |
| Assessment of supply | 3,849 | 3,378 | |
| Surplus / Shortfall (5 years) | -1,921 -2,392 | | |
| Years supply out of five | 3.34 2.93 | | |

WCC Position

IL Position

Table 10: Comparison Housing Land Supply Positions

3.13 The Council has produced its Reg. 19 Local Plan based on the current Standard Method figures, so it does not reflect the proposed new figures. As such it is proposing to deliver significantly fewer dwellings than required using the new Standard Method. The Council has identified the Local Plan will deliver 15,441 dwellings over the Plan period

(Table 9). However, the new Standard Method results in a requirement for 20 years of 21,980 dwellings (Table 5), and there is subsequently a shortfall in supply of 6,539 dwellings.

Requested Modification

8. The Reg. 19 plan needs to be modified to provide for more sites to deliver sufficient housing to provide a robust five year supply for when it is adopted.

Housing Phasing and Supply

3.14 Strategic Policy H2 aims to restrict the delivery of housing sites until after April 2030 to prioritise brownfield land. This is counter to National policy which seeks to significantly boost the supply of housing and as such should not be included. The delivery of brownfield sites is often complex and should not therefore be relied upon to meet the immediate needs. A suite of delivery sites will be required to meet the needs, both brownfield and greenfield and artificial management through the planning system is likely to lead to delays and a shortfall in supply.

Requested Modification

9. The reg. 19 plan should be modified to remove Strategic Policy H2.

4. Summary

- 4.1 Having reviewed the housing targets and supply contained in the Council's Regulation 19 Local Plan it is considered there are serious shortcomings that result in the Plan being unsound in its current format. As such the following modifications are sought to the Plan:
 - 1. The Reg 19 plan should be modified to reflect the most up to date housing delivery data which is presently from the end of March 2023.
 - 2. The Reg 19 plan should be modified to confirm how the delivery of housing in the three spatial areas relates to the PfSH area.
 - 3. Winchester City should be identified as part of the functioning South Hampshire area and a location suitable to accommodate unmet needs from elsewhere.
 - 4. The Government has set out a need for local plans to reflect the new NPPF and be submitted to the Secretary of State by the end of 2026. The Regulation 19 local plan is unlikely to comply with the new NPPF and in the event it is adopted, should include a modification confirming there will be an immediate review of the Plan.
 - 5. The Reg. 19 plan should be modified to allocate additional housing sites to meet the needs over the period 2023 to 2040.
 - 6. The Reg. 19 plan should provide a greater margin for delivery against the housing requirement, and this should equate to a minimum of 10% more homes than the identified needs.
 - 7. The Plan should confirm that delivery trajectories are to be based on the Sedgefield Method for calculating housing supply.
 - 8. The Reg. 19 plan needs to be modified to provide for more sites to deliver sufficient housing to provide a robust five year supply for when it is adopted.
 - 9. The reg. 19 plan should be modified to remove Strategic Policy H2