

Planning for South Hampshire

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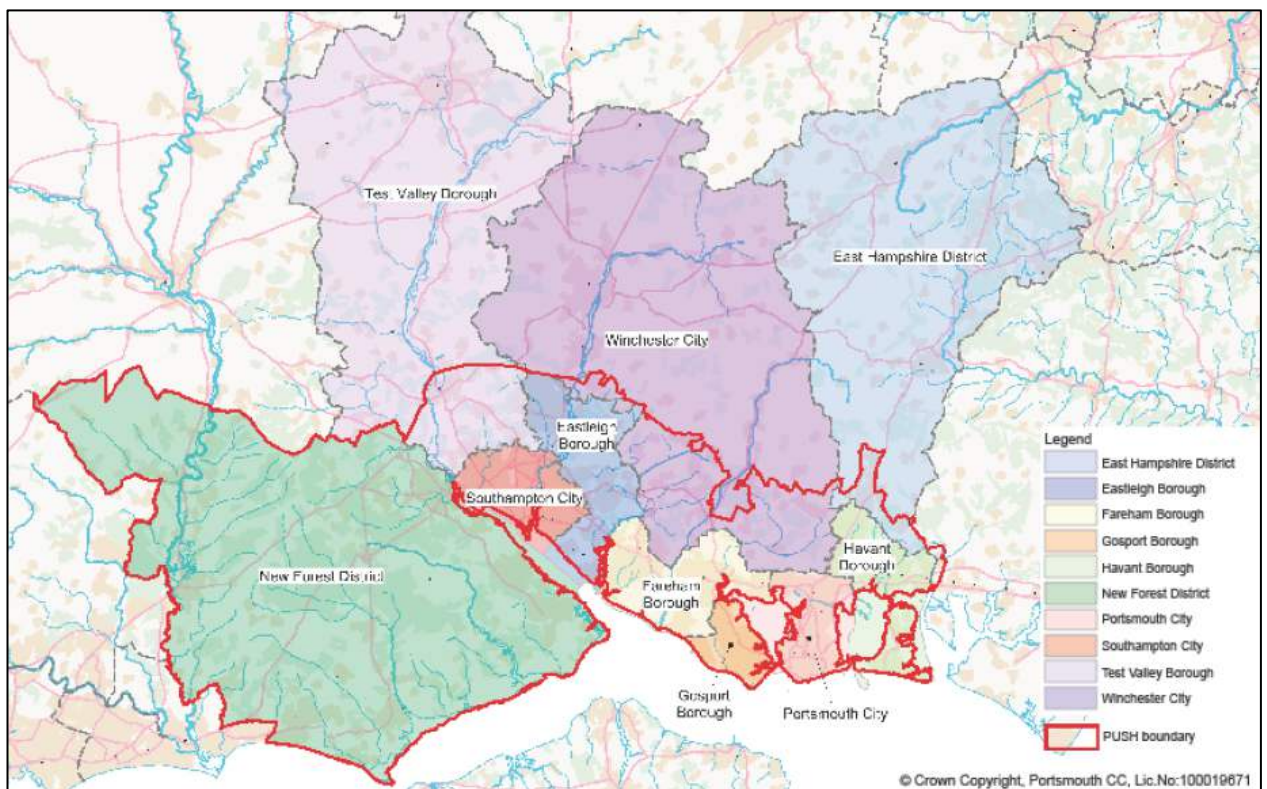
1. Introduction

1.1 The report examines the wider South Hampshire planning context and the implications for development within Winchester City Council’s (‘WCC’s’) administrative area.

Partnership for South Hampshire

1.2 The Partnership for South Hampshire (‘PfSH’) was formed in 2003. It is made up of district and unitary authorities, Hampshire County Council, and the New Forest National Park. The extent of the PfSH area is shown on the map below.

Figure 1: PfSH Area



1.3 The following local authorities are fully within the PfSH boundary:

- Eastleigh Borough Council
- Fareham Borough Council
- Gosport Borough Council
- Havant Borough Council
- New Forest District Council
- Portsmouth City Council
- Southampton City Council.

1.4 The following local authorities are partly within the PfSH boundary:

- East Hampshire District Council

- Hampshire County Council
- New Forest National Park Authority
- Test Valley Borough Council
- Winchester City Council

1.5 The origins of the Partnership were associated with the production of a sub-regional strategy for development for the South East Plan; and then in 2016, the PfSH authorities produced a non-statutory Spatial Position Statement (SPS) to guide development and future local plans in response to the duty to cooperate requirements for plan making.

1.6 Collaborative arrangements have continued and the following new and updated reports have subsequently been issued, including:

- PfSH Statement of Common Ground (September 2023)
- PfSH Spatial Position Statement (December 2023) – An updated version of the original published in 2016
- PfSH Identification of Broad Areas of Search for Growth Assessments (December 2023)

PfSH Governance

1.7 The PfSH is an arrangement entered into on a voluntary basis by each local authority. There is no legal obligation on the Partnership to prepare a joint strategic plan; hence strategic outputs from the group are not subject to independent examination and do not have the weight of a statutory development plan. The PfSH is governed by a Joint Committee made up of a nominated Councillor and the Chief Executive from each of the PfSH authorities. The Joint Committee makes decisions on strategic planning matters referenced in the Statement of Common Ground ('SoCG'), based on officer recommendations.

Duty to Cooperate

1.8 Provisions to rescind the Duty to Cooperate through secondary legislation are included in the Levelling Up and Regeneration Act ('LURA') which received Royal Assent in December 2023. However, there has since been a change of Government and the revised version of the National Planning Policy Framework ('NPPF') that was published for consultation in July 2024 states at paragraph 24 that local planning authorities will continue to be under a duty to cooperate with each other.

Report Structure

1.9 This report is structured as follows:

- Chapter 2 examines the non-statutory strategic policy context for South Hampshire.
- Chapter 3 conducts an analysis of recently adopted and emerging local plans that are being prepared by the PfSH authorities.
- Chapter 4 considers the implications of the potential revisions to the Standard Method.
- The conclusions are set out in chapter 5.

2. Strategic Policy Context

2.1 This chapter summarises the non-statutory strategic policy context for South Hampshire as set out in the PFSH Spatial Position Statement published in December 2023 ('SPS').

Status

2.2 The introductory section of the Statement makes it clear that while it covers the provision of housing and employment across the sub-region to up to 2036, it is not a statutory strategic plan for South Hampshire. At paragraph 2.2 it states:

"Whilst it will help guide local plans in terms of cross-boundary issues, it is not intended to be prescriptive or to contain requirements that local plans have to meet. Local plans will need to undertake the processes associated with statutory plan-making including consultation, consideration of options, strategic environmental assessment, habitat regulations assessment and formal examination. The Spatial Position Statement does not have the status of

Provision for Housing

2.3 The SPS advises that the assessed housing need for the local authority areas within the PFSH area between 2023 and 2036 is approximately 78,500 dwellings. It includes Table 1 (reproduced below) which compares housing need to identified supply and concludes that there is a shortfall of approximately 11,771 dwellings

Table 1 - Comparison of Housing Need and Supply 2023 – 36

Local Authority	Annual Housing Need using Standard Method (dpa)	Total Housing Need 2023 – 2036	Identified Supply = Commitments, Local Plan Allocations + Windfall Estimate	Shortfall / Surplus
East Hants (part)	113	1,469	1,275	-194
Eastleigh	667	8,671	6,160	-2,511
Fareham	541	7,033	9,356	+900
Gosport	353	4,589	2,518	-2,071
Havant	516	6,708	4,105	-2,603
New Forest	1,056	13,278	8,076	-5,652
Portsmouth	899	11,687	11,304	-383
Southampton	1,475	19,175	15,951	0
Test Valley (part)	182	2,366	3,109	+743
Winchester (part)	235	3,055	3,055	0
Total	6,037	78,481	64,909	-11,771

Distribution of Development

2.4 The SPS advises that a two stage approach is being taken to address the needs of authorities that may be able to demonstrate that they are unable to meet their own housing needs in full within their administrative area. This comprises:

- **Stage 1:** In the short to medium term East Hampshire, Eastleigh, Fareham, Test Valley and Winchester should be able to meet and potentially exceed their housing need as generated by the Standard Method (i.e. they may be able to accommodate some unmet need on behalf of other authorities).
- **Stage 2:** In the longer term the seven locations identified in the 'Broad Areas of Search for Growth Assessments' report (December 2023) will be considered in emerging local plans as potential locations to accommodate some unmet need. These broad locations are:
 - South-east/east of Eastleigh Town (Eastleigh)
 - Havant Town Centre (Havant)
 - Waterlooville Town Centre (Havant)
 - Southleigh (Havant)
 - East of Romsey (Test Valley)
 - South-west of Chandler's Ford (Test Valley)
 - East of Botley (Winchester)

The supporting text at paragraph 6.41 states:

"In total, they are estimated to have sufficient capacity to provide approximately 9,700 dwellings, again subject to further testing of development capacity, the infrastructure and mitigation needed and deliverability."

Summary

2.5 The PfSH authorities have a history of cross boundary working on strategic matters and have prepared the SPS to help guide the scale and distribution of the development across South Hampshire to 2036. However, it is important to note that the document is non-statutory and should pressure be applied on a small number of local authorities to take the large surplus, those authorities could simply withdraw from the voluntary arrangement.

2.6 The key points from the SPS are:

- The assessed housing need for the local authority areas within the PfSH area between 2023 and 2036 is approximately 78,500 dwellings.
- The identified supply for 2023 and 2036 is only 64,909 dwellings (a shortfall of 11,771 dwellings).
- The proposed approach for address the needs of authorities that are unable to meet their own housing needs in full is:
 - **Short / Medium Term:** Encourage East Hampshire, Eastleigh, Fareham, Test Valley and Winchester to exceed their housing need as generated by the Standard Method.
 - **Longer Term:** Ask East Hampshire, Fareham, Havant, Test Valley and Winchester to explore bringing forward development at the seven locations identified in the 'Broad Areas of Search for Growth Assessments' report (December 2023).

3. Emerging Local Plans

3.1 This chapter conducts an analysis of recently adopted and emerging local plans that are being prepared by the PfSH authorities. The purpose of the assessment is to understand the following questions:

- Which PfSH authorities are expecting to be able to accommodate their own housing need as generated by the current Standard Methodology and which are not?
- Which PfSH authorities have potential to accommodate unmet needs on behalf of other PfSH authorities?

Meeting Own Housing Need

3.2 A table is included at **Appendix 1** of this report which shows the current progress of emerging Local Plans across the PfSH area. The key findings are:

- **New Forest, Eastleigh and Fareham:** These authorities adopted their Local Plans in 2020, 2022 and 2023 respectively and have yet to undertake consultation on a revised plan.
- **East Hampshire, Test Valley and Winchester:** These authorities are in the process of preparing new Local Plans and the documentation indicates that they will be able to accommodate their own housing needs.
- **Gosport, Havant, Portsmouth and Southampton:** These authorities are in the process of preparing new Local Plans and have confirmed that they are unable to meet their own housing needs. As can be seen from Table 2 below the anticipated level of shortfall is 20,466 dwellings.

Table 2 – PfSH Authorities unable to meet their own Housing Needs

Local Authority	Plan Period	Housing Requirement	Housing Supply	Shortfall
Gosport	2021 to 2038 (17 years)	5,576 dwellings	3,500 dwellings	2,076 dwellings
Havant	2023 to 2043 (20 years)	10,320 dwellings	6,011 dwellings	4,309 dwellings
Portsmouth	2020 to 2024 (20 years)	17,980 dwellings	13,603 dwellings	4,377 dwellings
Southampton	2022 to 2040 (18 years)	26,500 dwellings	16,816 dwellings	9,684 dwellings
			Total:	20,466 dwellings

Ability to Accommodate Unmet Need

3.3 The work undertaken in preparing the table at **Appendix 1** has identified the following authorities as likely to be able to accommodate unmet needs on behalf of neighbouring authorities:

- **East Hampshire:** The supporting text in their most recent consultation document indicates that they are willing to also address unmet needs on behalf of other PfSH authorities and are in discussions with Havant and Portsmouth.
- **Fareham:** The recently adopted Local Plan included an allowance of 900 dwellings for unmet needs of neighbouring authorities (including 800 dwellings for Portsmouth). This suggests that the Borough is not overly constrained and that it may have capacity to accommodate further unmet need in the future.

- **Test Valley:** The supporting text in their most recent consultation document indicates that they may be willing to also address unmet needs on behalf of other PFSH authorities.
- **Winchester:** The current Regulation 19 consultation document includes an allowance for 1,900 dwellings towards the unmet needs of neighbouring authorities. This suggests that the area is not overly constrained and that it may have capacity to accommodate further unmet need in the future.

4. Potential Revised Standard Method

- 4.1 Between 30th July and 24th September 2024 the recently elected Labour Government ran a consultation on potential revisions to both the NPPF and the Standard Method for Assessing Housing Needs. The aim of the potential revisions to the Standard Method being to support the Government’s ambition to deliver 1.5 million homes over the next five years. For many authorities this would result in significant increase in their housing need figures.
- 4.2 The revised NPPF and Standard Method are expected to be brought in formally toward the end of 2024 and will have an impact on those PFSH authorities preparing new Local Plans. Table 3 below shows the impact that the proposed revised Standard Method would have on the four PFSH authorities that have already confirmed that they are unable to meet their own housing needs.

Table 3 – Impact of Potential Revised Standard Method on PFSH Authorities unable to meet their own Housing Needs

Local Authority	Plan Period	Housing Requirement ¹	Housing Supply	Shortfall
Gosport	2021 to 2038 (17 years)	7,905 dwellings	3,500 dwellings	4,405 dwellings
Havant	2023 to 2043 (20 years)	17,480 dwellings	6,011 dwellings	11,469 dwellings
Portsmouth	2020 to 2024 (20 years)	21,960 dwellings	13,603 dwellings	8,357 dwellings
Southampton	2022 to 2040 (18 years)	23,310 dwellings	16,816 dwellings	6,494 dwellings
			Total:	30,725 dwellings

¹Outcome of the Proposed Revised Method Spreadsheet (MHCLG July 2024)

- 4.3 As can be seen the anticipated level of shortfall would increase from 20,466 dwellings to 30,725 dwellings. However, the actual unmet need figure for the PFSH figure is likely to be much higher as:
- **Gosport:** The Council as already acknowledged that they need to extend their proposed plan period to 2040. This would increase the shortfall by an additional 930 dwellings.
 - **New Forest District:** The Council is to move ahead with a review of their 2020 plan and are anticipating the first consultation to be held expected next year. The potential revised Standard Methodology figure is 1,465 dwellings per annum, well in excess of the 521 dwellings per annum requirement in their adopted Local Plan. Given that the Council was unable to accommodate 460 dwellings on behalf of the National Park across the whole of the current plan period it seems reasonable to assume that they will require other PFSH authorities to accommodate unmet need on their behalf.

5. Analysis

Current Position

5.1 The non-statutory strategic policy context for South Hampshire is set out in the PfSH Spatial Position Statement published in December 2023. The key points from the SPS are:

- The assessed housing need for the local authority areas within the PfSH area between 2023 and 2036 is approximately 78,500 dwellings.
- The identified supply for 2023 and 2036 is only 64,909 dwellings (a shortfall of 11,771 dwellings).
- The proposed approach for address the needs of authorities that are unable to meet their own housing needs in full is:
 - **Short / Medium Term:** Encourage East Hampshire, Eastleigh, Fareham, Test Valley and Winchester to exceed their housing need as generated by the Standard Method.
 - **Longer Term:** Ask East Hampshire, Fareham, Havant, Test Valley and Winchester to explore bringing forward development at the seven locations identified in the 'Broad Areas of Search for Growth Assessments' report (December 2023).

Emerging Local Plans

5.2 An analysis of recently adopted and emerging local plans that are being prepared by the PfSH authorities has been undertaken. It shows that:

- **New Forest, Eastleigh and Fareham:** These authorities adopted their Local Plans in 2020, 2022 and 2023 respectively and have yet to undertake consultation on a revised plan.
- **East Hampshire, Test Valley and Winchester:** These authorities are in the process of preparing new Local Plans and the documentation indicates that they will be able to accommodate their own housing needs.
- **Gosport, Havant, Portsmouth and Southampton:** These authorities are in the process of preparing new Local Plans and have confirmed that they are unable to meet their own housing needs. As can be seen from Table 2 below the anticipated level of shortfall is 20,466 dwellings.

5.3 This level of shortfall will increase significantly to 30,725 dwellings should the proposed revision to the Standard Method be introduced at the end of the year.

Ability to Accommodate Unmet Need

5.4 The following authorities are likely to be able to accommodate unmet needs on behalf of neighbouring authorities:

- **East Hampshire:** The supporting text in their most recent consultation document indicates that they are willing to also address unmet needs on behalf of other PfSH authorities and are in discussions with Havant and Portsmouth.
- **Fareham:** The recently adopted Local Plan included an allowance of 900 dwellings for unmet needs of neighbouring authorities (including 800 dwellings for Portsmouth). This suggests that the Borough is not overly constrained and that it may have capacity to accommodate further unmet need in the future.
- **Test Valley:** The supporting text in their most recent consultation document indicates that they may be willing to also address unmet needs on behalf of other PfSH authorities.

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- **Winchester:** The current Regulation 19 consultation document includes an allowance for 1,900 dwellings towards the unmet needs of neighbouring authorities. This suggests that the area is not overly constrained and that it may have capacity to accommodate further unmet need in the future.
- 5.5 In respect of the above it is important to note that the level of unmet need that will need to be distributed between these authorities is substantial and well in excess of current levels. For example, the two authorities to date to have committed to accommodating unmet need (Fareham and Winchester) will deliver 2,800 dwellings. This is well below the shortfall generated by both the current (20,466) and proposed (30,725) standard method.
- 5.6 It is acknowledged that, as set out in Section 3 of this Report, the longer term strategy for PfSH is to ask East Hampshire, Fareham, Havant, Test Valley and Winchester to explore bringing forward development at the seven locations identified in the 'Broad Areas of Search for Growth Assessments' report (December 2023). However, the total quantum of development that could be accommodated in these locations (9,700 dwellings) is nowhere near sufficient to address the level of unmet need that has been identified.

Appendix 1

Partnership for South Hampshire Local Plan Position Table 11th October 2024

Local Planning Authority	Adopted Development Plan	Emerging Local Plan							
		Most Recent Consultation	Proposed Housing Requirement			Predicted Supply	Aiming to meet own needs within own administrative boundary?	Level of Shortfall / Unmet Need (if any)	Offering to deliver unmet need on behalf of other authorities?
			Plan Period	Per Annum	Total				
Eastleigh Borough Council	Eastleigh Local Plan 2016-2036 (Adopted April 2022) (729 dpa)	Not Commenced	TBC	TBC	TBC	TBC	Yes (Adopted Plan)	None	Unknown.
Fareham Borough Council	Fareham Local Plan (Adopted April 2023) (541 dpa)	Not Commenced	TBC	TBC	TBC	TBC	Yes (Adopted Plan)	None	TBC (adopted Local Plan included an allowance of 900 dwellings for unmet needs of neighbouring authorities).
Gosport Borough Council	Gosport Borough Local Plan 2011-2029 (Adopted October 2015)	Regulation 18 (27 th September to 3 rd December 2021)	2021 to 2038 (17 years)	328 dwellings	5,576 dwellings	3,500 dwellings	No	2,076 dwellings	No.
Havant Borough Council	Core Strategy and Allocations Plan (Adopted March 2011) The Allocations Plan (Adopted July 2014)	Not Commenced (Withdrawn in March 2022)	2023 to 2043 (20 years) ¹	516 dwellings ¹	10,320 dwellings ¹	6,011 dwellings ¹	No	4,309 dwellings	No.
New Forest District Council	New Forest Local Plan (Adopted July 2020) (521 dpa)	Not Commenced	TBC	TBC	TBC	TBC	Yes (Adopted Plan)	None	Unknown (considered unlikely as adopted Local Plan couldn't include an allowance for 460 dwellings on behalf of the National Park).
Portsmouth City Council	The Portsmouth Plan (Adopted January 2012)	Regulation 19 (9 th July to 3 rd September 2024)	2020 to 2024 (20 years)	899 dwellings	17,980 dwellings	13,603 dwellings	No	4,377 dwellings	No
Southampton City Council	City Centre Action Plan (Adopted March 2015) Core Strategy Partial Review Amended Core Strategy Amended Local Plan Review (Adopted 2015)	Regulation 18 (31 st October 2022 to 3 rd January 2023)	2022 to 2040 (18 years)	1,472 dwellings	26,500 dwellings	16,816 dwellings	No	9,684 dwellings	No

Local Planning Authority	Adopted Development Plan	Emerging Local Plan							
		Most Recent Consultation	Proposed Housing Requirement			Predicted Supply	Aiming to meet own needs within own administrative boundary?	Level of Shortfall / Unmet Need (if any)	Offering to deliver unmet need on behalf of other authorities?
			Plan Period	Per Annum	Total				
East Hampshire District Council (Part)	<p>Joint Core Strategy (Part 1 - Local Plan) (Adopted May 2014)</p> <p>Housing and Employment allocations (Part 2 - Local Plan) (Adopted April 2016)</p> <p>Local Plan Second Review – Saved Policies (Adopted March 2006)</p>	Regulation 18 (January 2024 to 8 th March 2024)	2021 to 2040 (19 years)	478 dwellings	9,082 dwellings	9,725 dwellings	Yes	None	<p>Includes an allowance of 12 dpa for South Downs National Park.</p> <p>Supporting text indicates that LPA may be willing to also address unmet needs on behalf of other PFSH authorities. They are in discussions with Havant and Portsmouth.</p>
Test Valley Borough Council (Part)	Local Plan 2011-2029 (Adopted January 2016)	Regulation 18 (6 th February to 2 nd April 2024)	2020 to 2040 (20 years)	237 dwellings (within PFSH area)	4,730 dwellings (within PFSH area)	5,487 dwellings (within PFSH area)	Yes	None	Supporting text indicates that LPA may be willing to also address unmet needs on behalf of other PFSH authorities.
Winchester City Council (Part)	Local Plan Part 1: Joint Core Strategy (Adopted March 2013)	Regulation 19 (29 th August to 13 th October 2024)	2020 to 2040 (20 years)	15,465 dwellings	773 dwellings	15,465 dwellings	Yes	None	Proposed requirement includes allowance of 1,900 dwellings for unmet needs of neighbouring authorities.

¹ Source: Interim Statement of Common Ground between Winchester City Council and Havant Borough Council (August 2024)



