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# YOUR PLACE YOUR PLAN.

Winchester District Local Plan

Winchester District Local Plan 2040

Housing Topic Paper

July 2024



Winchester  
City Council

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## **1. Purpose and Structure of the Topic Paper**

- 1.1. The draft (Regulation 18) Local Plan was published for consultation in late 2022 and included a policy (H1) setting out the proposed housing provision and spatial distribution. This policy generated substantial levels of comment, often involving complex and detailed representations.
- 1.2. The primary purpose of this Topic Paper is to respond to the key issues raised by these representations and assess whether any changes are needed for the 'Regulation 19' version of the Plan. A schedule summarising all the comments on policy H1 has been produced, including a recommended officer response to each comment. This Topic Paper enables the key issues to be grouped into related topics, discussed in relation to Government guidance and other relevant factors, and a recommended approach to be set out. This avoids repeating a series of complex responses to multiple representations.
- 1.3. This Topic Paper relates primarily to the Local Plan housing requirement and the key components of housing supply. It also addresses issues raised in relation to the phasing of site allocations (policy H2). It does not seek to respond to representations on the spatial development strategy, the allocation or delivery of specific sites, or the need for particular forms of housing such as affordable housing. The Paper is structured as follows:
  - The Local Plan Period
  - The Standard Method and Housing Requirement
  - Duty to Cooperate / Unmet Housing Needs Allowance
  - Housing Supply
  - Local Plan Phasing and 5 Year Land Supply

## 2. The Local Plan Period

- 2.1. The NPPF expects that '*strategic policies should look ahead over a minimum 15 year period from adoption*' (NPPF para 22) and should be reviewed every 5 years. There is nothing else in the NPPF, Planning Practice Guidance or PAS Local Plan Toolkit advising on the length of the Plan period or its start date.
- 2.2. Work on the new Local Plan commenced in 2018, 5 years from the adoption of the Winchester District Joint Core Strategy. This also coincided with the updating of the NPPF and introduction of the Standard Method for assessing local housing need. A 20-year plan period was expected, so as to give 15 years from plan adoption. This period is typical of plan periods in Winchester District and across many other authorities.
- 2.3. Work on the Local Plan has been delayed for various reasons, particularly uncertainty about Government consultation proposals for major changes to the local plan system, ongoing changes to the National Planning Framework, Written Ministerial Statements and other key issues such as the need for development to demonstrate nutrient neutrality (both nitrates and phosphorous). The Regulation 18 Local Plan envisaged adoption in 2024 so applied a 2039 end date to provide 15 years from adoption. The start date of 2019 would maintain a 20-year plan period (2019-2039). This also allowed the high levels of housing development achieved over recent years to be taken into account. The cumulative Standard Method housing need since the start of the plan period (2019/20 – 2021/22) was 2,023 dwellings whereas net dwelling completions in the same period have been 2,718 dwellings ('over-provision' of 695 dwellings).
- 2.4. Some development interest representations suggest that the Plan period should be extended to 2040 or 2041 and / or that its start should not be 'backdated'. Given changes to the Local Plan programme (see Local Development Scheme 2023), it is agreed that the Plan period will need to be extended to 2040 to allow 15 years from adoption. It is also necessary to update the start date to 2020, so as to maintain a 20-year Plan period. This is also important to allow some of the Council's recent good performance in terms of housing completions to be taken into account, as there is no specific provision in the NPPF or Planning Practice Guidance for past over-supply to be taken into account and this would otherwise be lost. **Accordingly, a revised Plan period of April 2020 to March 2040 is proposed for the Regulation 19 Local Plan.**

### 3. The Standard Method and Housing Requirement

#### Use of the Standard Method

- 3.1. The Regulation 18 Local Plan used the Standard Method (SM) to determine the starting point for the number of homes needed (Reg 18 Plan, para 9.1), as advised by the NPPF at the time. A Government consultation on changes to the NPPF was published during the Regulation 18 consultation period. This resulted in some comments suggesting that the Government had / would abolish housing targets and that a lower requirement should apply, or that the Plan should be delayed until a revised NPPF is published. These responses referred to matters such as the SM using out of date household projections, the pandemic, the forthcoming Census results and constraints such as the South Downs National Park, to justify a delay or use of an alternative method.
- 3.2. The NPPF has since been updated (December 2023) and advises that: *‘To determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance. The outcome of the standard method is an advisory starting-point for establishing a housing requirement for the area (see paragraph 67 below). There may be exceptional circumstances, including relating to the particular demographic characteristics of an area which justify an alternative approach to assessing housing need; in which case the alternative approach should also reflect current and future demographic trends and market signals. In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for.’* (NPPF para 61).
- 3.3. The Regulation 18 Local Plan did not seek to demonstrate that *‘exceptional circumstances justify an alternative approach’* to the SM and it is believed that no other local plan sought to do this at the time. The NPPF now refers to the SM being *‘an advisory starting-point for establishing a housing requirement for the area’*, which reflects the earlier Government consultation and has been used by some to suggest a delay or lower housing requirement. However, paragraph 67 is cross-referenced, which refers only to reasons why the requirement may be higher than the SM, and paragraph 61 continues to refer to the SM determining the *‘minimum’* number of homes needed and *‘exceptional circumstances’* being needed to justify an alternative approach. The only exceptional circumstance referenced relates to the particular demographic circumstances of the area such as *‘islands with no land bridge that have a significant proportion of elderly residents’*.
- 3.4. While *‘particular demographic characteristics’* are one possible *‘exceptional circumstance’*, no others are cited in the NPPF. The characteristics mentioned are not applicable to Winchester and it remains a requirement that any alternative to the SM *‘should also reflect current and future demographic trends and market signals’*.

- 3.5. A major new area of work would be required to determine an alternative housing requirement to the SM, involving reassessing demographic trends and market signals and considering whether an alternative approach to the SM could be justified. This would result in long delays to the Local Plan process, with the outcome of such work being uncertain and, ultimately, potentially not being significantly different to the SM. Using an alternative to the SM would require a much more rigorous examination of the housing requirement by the Local Plan Inspector and could become out of date if a new method of calculating housing needs is introduced. Therefore, developing an alternative to the SM would not warrant the additional cost and delay involved, especially when the Plan is able to meet the level of need indicated by the SM. Government has re-emphasised that getting up to date plans in place *'should be seen as a priority'* (NPPF paragraph 1).
- 3.6. Following the July 2024 General Election, the Government has announced its intention to reintroduce housing targets. It is expected that this will be done by reversing some of the changes made to the NPPF in December 2023. This is likely to reinforce the conclusion that the Standard Method should be used and, indeed, it may become obligatory.
- 3.7. Table H1 of the draft Local Plan calculated the SM requirement based on the figures for each year of the Plan period so far (total of 14,178 dwellings). Some comments suggest that the current SM figure of 715 dwellings should be applied to the whole 20-year plan period (total of 14,300 dwellings). The SM has been updated since the Regulation 18 Local Plan (currently 676 for 2024), so applying the current SM figure over the whole Plan period would now give a lower figure than the method used in the Regulation 18 Local Plan. However, the difference in numbers is limited (45 dwellings) and it would seem more justified to apply the known SM figures for previous years, rather than use the current figure over the whole 20-year plan period.
- 3.8. Various respondents suggest that the SM number will need to be fixed on submission of the Plan, or suggest the SM figure should be increased to allow for future changes. It is agreed that the SM figure will need to be fixed on submission of the Plan, but the PPG recognises that it may change up to this point: *'the housing need figure generated using the standard method may change as the inputs are variable and this should be taken into consideration by strategic policy-making authorities. However, local housing need calculated using the standard method may be relied upon for a period of 2 years from the time that a plan is submitted to the Planning Inspectorate for examination'* (PPG ID: 2a-008-20190220).
- 3.9. There is no merit in increasing the SM figure to try to pre-judge future changes, as the PPG allows it to be updated until the Plan is submitted. The 2023 SM figure decreased to 691 dwellings per annum, compared to 715 dpa in the draft Local Plan, and the 2024 figure has reduced further to 676 dpa. Current

economic circumstances suggest wage inflation is exceeding house price inflation, which could be expected further to reduce the 'affordability multiplier' applied to the SM. Therefore, the SM figure is more likely to fall in the period up to submission of the Plan, rather than increase, but there is scope to update it as necessary.

- 3.10. Some comments question whether the plan would be 'positively prepared' if it uses only the minimum SM figure. It is recognised that the SM figure is the minimum level of housing to be provided and that it may need to be increased to take account of unmet needs (NPPF para 61) or for other reasons (NPPF para 67). The 'positively prepared' test of soundness (NPPF para 35) expects authorities to meet objectively assessed needs (in accordance with NPPF para 61) and be informed by unmet need from neighbouring areas, where practical and sustainable. Potential increases are discussed below, but the NPPF and PPG clearly expect the SM figure to be the starting point and that unmet needs are considered. The Local Plan does this so it is not expected to fail the 'positively prepared' test, which is a test of soundness that has remained unaltered in the updated 2023 NPPF. **It is recommended that the Regulation 19 Plan is updated to reflect the revised Plan period (2020-2040) and refer to the SM applicable at the time of publication (currently 676 dwellings per annum).**

### **Deriving the Housing Requirement**

- 3.11. As noted above, the SM is the starting point but may need to be increased or decreased for various reasons. Some respondents suggest that the Government is proposing to remove the Duty to Cooperate or make other changes that will mean that a lower requirement can be adopted. Conversely, comments by development interests have raised various matters that they claim justify a housing requirement which is higher than the SM figure. These factors are considered in turn below.

#### Duty to Cooperate / Unmet Needs

- 3.12. The NPPF continues to specifically require that *'in addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for'* (NPPF para 61). The Government consultation on planning reforms (December 2022) proposed to abolish the 'Duty to Cooperate' and various respondents suggest that this means the Plan's 'buffer' for unmet needs should be removed. Others suggest that unmet needs are underestimated and the housing requirement should be increased further to help meet them. This section deals with whether an 'unmet needs' allowance is required / justified in principle, with Section 4 below considering where unmet needs may arise and their scale.
- 3.13. The December 2022 Government consultation on planning reforms suggested that the Duty to Co-operate would be removed and replaced by an 'alignment

policy' through the Levelling Up Bill which was progressing through Parliament at the time. This has now been enacted (Levelling-up and Regeneration Act 2023) and there are provisions for the replacement of the legislation that imposes the Duty to Cooperate. However, these provisions have not yet been enacted and the Act indicates that they will '*come into force on such day as the Secretary of State may by regulations appoint*'. Transitional arrangements mean that the Duty to Cooperate will remain for plans submitted for examination before June 2025 and adopted by December 2026, which is the intention for the Winchester Local Plan. The new Government elected in July 2024 has not yet indicated whether it will maintain these transitional arrangements.

- 3.14. In addition, the previous Government consultation indicated that details of the replacement 'alignment policy' would be included in a future NPPF. The December 2023 NPPF does not refer to the alignment policy and continues to include a section on '*maintaining effective cooperation*', including reference to the Duty to Cooperate. Therefore, pausing the Plan until the DTC is removed would involve a substantial delay and there would still be a need to satisfy a (currently unknown) 'alignment policy'. There will still be an expectation of some sort of 'alignment' with neighbouring areas and delaying the Plan to wait for the proposed changes would involve risks of substantial delay for uncertain (if any) benefits.
- 3.15. Current unmet needs are in the Partnership for South Hampshire (PfSH) area and the Council has worked with PfSH to develop a Statement of Common Ground and Joint Position Statement, published in December 2023 (see Section 4 below). Delaying the Plan to await the removal of the DTC would be of uncertain benefit, but would result in significant risk and delay. The Plan should be progressed in accordance with the DTC, which must still be satisfied as a matter of 'legal compliance'. The nature and scale of any unmet needs are considered in Section 4 below. **Therefore, in principle, an 'unmet needs allowance' should be added to the SM figure.**

#### Housing Affordability

- 3.16. Representations from various development interests highlight Winchester's high 'affordability ratio' and the scale of need for affordable housing. Some suggest that the [Strategic Housing Market Assessment](#) which assesses affordable housing need at February 2020, should be updated and that it shows a level of affordable housing need that exceeds what can be met by provision as a proportion of market housing sites. They suggest there is a strong case for increasing the overall housing requirement and supply, especially by allocating additional development sites, so that the scale of affordable housing need can be met from the proportions of affordable housing required in policy H6 (representations about the detail of affordable housing needs and policy are considered in relation to policy H6).



3.17. The NPPF advises the use of the Standard Method (paragraph 61) and that *‘within this context of establishing need, the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies. These groups should include (but are not limited to) those who require affordable housing ...’* (NPPF para 63). The reference to *‘within this context’* indicates that provision for affordable housing should be made within the SM housing figure, not in addition to it. This is reinforced by the application of an ‘affordability ratio’ to derive the SM figure. In Winchester, this results in an ‘affordability uplift’ of more than 50% above the 2014 household projections for the District (which are themselves higher than up to date projections). Therefore, the SM already results in a much higher housing target than would be required to meet ‘indigenous needs’. Furthermore, while NPPF footnote 28 specifically states that provision for travellers is in addition to the SM figure, it does not apply the same approach to affordable housing.

3.18. The PPG advises that *‘the affordability adjustment is applied in order to ensure that the standard method for assessing local housing need responds to price signals and is consistent with the policy objective of significantly boosting the supply of homes. The specific adjustment in this guidance is set at a level to ensure that minimum annual housing need starts to address the affordability of homes’* (PPG ID: 2a-006-20190220). This suggests that the Government considers that affordable housing needs have already been sufficiently taken into account if the SM figure is used.

3.19. The PPG on the housing needs of different groups includes: *‘...Strategic policy-making authorities will need to consider the extent to which the identified needs of specific groups can be addressed in the area, taking into account:*

- *the overall level of need identified using the standard method (and whether the evidence suggests that a higher level of need ought to be considered);*
- *the extent to which the overall housing need can be translated into a housing requirement figure for the plan period; and*
- *the anticipated deliverability of different forms of provision, having regard to viability....’* (PPG ID: 67-001-20190722).

This confirms that when considering the needs of various groups (including for affordable housing) regard must be had to what is deliverable and viable.

3.20. The Strategic Housing Market Assessment 2020 assessed an annual affordable housing need totalling 343 dwellings per annum (220 affordable rented and 123 affordable home ownership). The Council has since commissioned Icenii to undertake a focussed update of the Strategic Housing Market Assessment (SHMA update 2024) which has provided evidence to enable the affordable housing need figures to be updated. The Winchester Strategic Housing Market Assessment Update 2024 suggests the need for affordable / social rented housing has increased to about 368 dwellings per annum, with up to 142 additional dwellings needed per annum for affordable

home ownership (figures relate to the Local Plan area, which excludes the South Downs National Park part of the District). This equates to up to 8,670 dwellings over the remaining Plan period (April 2023 onwards) and amounts to 56% of the total housing provision proposed by the Regulation 18 Plan (15,620 dwellings), with the majority of need being for affordable rented accommodation. Viability evidence that was published alongside the Regulation 18 Local Plan, and subsequently updated, shows that this percentage is not achievable in current market conditions and the ability to achieve this level of provision is also limited by Government policy which excludes provision by schemes of under 10 dwellings, self-build, prior notification schemes, etc.

3.21. Policy H6 of the Regulation 18 Plan recognised these constraints and proposed a general requirement of 40% affordable housing, reduced in specific circumstances to 'not less' than 30% on brownfield sites (35% and 25% in the short term where phosphate issues apply). This tiered approach was informed by ongoing viability assessment using the best estimate of costs, with the aim of following national planning guidance to provide clarity for all parties at the plan-making stage. But paragraph 9.34 of the Regulation 18 Local Plan acknowledged that market-led schemes are not the only source of affordable housing provision. The Local Plan provides for affordable housing exceptions schemes (policy H7) and there is scope for affordable housing providers, community land trusts and the Council itself to develop land to meet affordable housing needs. The Council has a programme of Council house building (with a target of delivering 1000 dwellings by 2030) and has established a housing company with a proven track record to support the development of affordable housing.

3.22. Therefore, notwithstanding any possible differences of emphasis within PPG advice, affordable housing provision is a priority and the Council is seeking to maximise provision, within the constraints of Government policy and market conditions, to meet at least a substantial part of the need identified. **Therefore, the SM figure should not be increased to enable additional affordable housing to be provided.**

#### Non-Delivery / Market Fluctuation / Flexibility Buffer

3.23. Various development interests commented that the Local Plan does not contain a 'buffer' to allow for market fluctuation, flexibility or non-delivery and argued that the NPPF requires this. They also criticised the use of the term 'buffer' within the Plan to refer to an allowance for unmet needs and/or changes to the SM.

3.24. It is intended that the Regulation 19 Local Plan will have a firm contribution towards unmet needs (see above) and that the SM figure will be fixed in the Regulation 19 Plan. Therefore, it is agreed that references to the 'buffer' should be removed from the Plan, albeit that these do not appear in policies H1-H3 themselves.

3.25. Many comments pointed to the reference at paragraph 74 of the 2021 NPPF to buffers of 5%, 10% or 20% and suggest the Plan needs to include such a buffer. The December 2023 NPPF removes the requirements for buffers except where there has been significant under-delivery of housing (now at NPPF para 77). In any event, this guidance deals with maintaining a 5-year supply of land, not with setting the Local Plan housing target: NPPF paragraph 75 requires that authorities '*monitor their deliverable land supply against their housing requirement, as set out in adopted strategic policies ...*'. The housing requirement is established in the Local Plan in accordance with NPPF paragraph 61, whereas references to a 'buffer' relate to the 5-year supply of sites that is updated annually.

**3.26. Therefore, the SM figure should not be increased to add a buffer for market fluctuation, flexibility or non-delivery.**

#### Economic Growth / Growth Strategies

3.27. The PPG sets out several circumstances where it may be appropriate to plan for higher figures than the SM and the examples given include: '*growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals)*' (PPG ID: 2a-010-20201216). Some comments on the Local Plan also suggested that housing requirements should be higher to promote economic growth or support the strategy of the Local Economic Partnership (LEP).

3.28. There is no specific growth strategy or Housing Deal in place for Winchester. The M3 Local Economic Partnership published [Local Industrial Strategy - Defining Our Approach](#) in 2020. This identified the importance of housing and place-making to economic success and promotes building the right homes in the right places. It does not set any targets for housing growth or refer specifically to Winchester. There is, therefore, no 'growth strategy' in place for the area or specific funding for housing growth. Additionally, the Government announced in August 2023 that its support for LEPs would be withdrawn from April 2024 and that LEP functions should be transferred to local authorities. The authorities that have received this function (Hampshire County Council in Winchester's case) have not yet developed a strategy.

**3.29. Therefore, the SM figure should not be increased to provide for economic growth in view of the lack of strategies promoting this.**

#### Other Factors

3.30. The other circumstances which the PPG gives as examples of where it may be appropriate to plan for higher figures than the SM are to address unmet needs (dealt with above) and: '*strategic infrastructure improvements that are*

*likely to drive an increase in the homes needed locally'* (PPG ID: 2a-010-20201216).

3.31. The only infrastructure projects in the District which might be described as 'strategic' are the proposed upgrading of the M3 motorway, particularly junction 9 (which is a Nationally Significant Infrastructure Project and not aimed at increasing development capacity), and infrastructure provision in conjunction with the three strategic development allocations in the District. These strategic allocations are carried forward in the Regulation 18 Plan (policies W1, SH1, SH2) and the housing targets for those at West of Waterlooville and North Whiteley have been increased. The scope for further provision at these planned development areas is limited by the constraints of the sites and is likely to require new infrastructure provision rather than making use of existing or planned infrastructure.

**3.32. Therefore, the SM figure should not be increased on the basis of planned strategic infrastructure improvements.**

#### **4. Duty to Cooperate / Unmet Housing Needs Allowance**

##### **What does the Duty to Cooperate Require?**

- 4.1. The duty to cooperate (DTC) was introduced in section 33A of the Planning and Compulsory Purchase Act 2004 by the Localism Act 2012 and requires prescribed public bodies to work together on strategic cross boundary matters. The NPPF expects *'effective and on-going joint working between strategic policy-making authorities and relevant bodies .... to determine where additional infrastructure is necessary, and whether development needs that cannot be met wholly within a particular plan area could be met elsewhere'* (NPPF para 26).
- 4.2. Plan-making authorities are advised to *'prepare and maintain one or more statements of common ground, documenting the cross-boundary matters being addressed and progress in cooperating to address these'* (NPPF para 27). The Planning Practice Guidance contains considerable advice on statements of common ground and the DTC. This places the onus on authorities to explore all available options for addressing their own needs and to make every effort to secure cooperation on cross-boundary matters. It clarifies that *'authorities are not obliged to accept needs from other areas where it can be demonstrated it would have an adverse impact when assessed against policies in the National Planning Policy Framework'* (PPG ID: 61-022-20190315).
- 4.3. The PPG clarifies that statements of common ground are a means of demonstrating effective cooperation and these will be taken into account by an Inspector at the Local Plan examination. The DTC applies to local plan reviews and updates, and *'the level of co-operation is expected to be proportionate to the task and should not unduly delay the plan review'* (PPG ID: 61-075-20190723). In addition, the Council has regular meetings with neighbouring authorities and key stakeholders to address cross boundary issues, as detailed in the Authorities Monitoring Reports.
- 4.4. Various comments on the Regulation 18 Local Plan highlight the importance of the DTC in terms of Winchester helping to meet the unmet needs of other authorities, particularly in South Hampshire. Conversely, other respondents refer to the Government's December 2022 consultation on planning reforms, which proposed to abolish the DTC.
- 4.5. The Levelling Up and Regeneration Act 2023 now includes provisions to remove the legislative that imposes the Duty to Co-operate. However, these provisions have not yet been enacted and will *'come into force on such day as the Secretary of State may by regulations appoint'*. Transitional arrangements mean that the Duty to Cooperate will remain for plans submitted for examination before June 2025 and adopted by December 2026.
- 4.6. The 2022 consultation by the previous Government indicated that details of the replacement 'alignment policy' would be included in a future NPPF. The

December 2023 NPPF update does not refer to the alignment policy and makes no changes to the section on ‘maintaining effective cooperation’, including reference to the Duty to Cooperate. The Government has indicated that transitional arrangements will maintain the Duty to Cooperate for local plans submitted for examination by June 2025 and adopted by December 2026. The new Government elected in July 2024 has not yet indicated whether these transitional arrangements will be maintained. The Winchester Local Plan is due to be submitted for examination in early 2025 and adopted by the end of 2025. Therefore, there would need to be a substantial pause in processing the Plan if the Council wished to avoid the DTC and there would still be a need to satisfy a (currently unknown) ‘alignment policy’.

4.7. Delaying the Local Plan significantly would conflict with the 2023 NPPF requirement that *‘preparing and maintaining up-to-date plans should be seen as a priority’* (NPPF para 1). It would also involve substantial risks due to the lack of an up-to-date local plan and uncertainty over the benefits (if any) of the alignment policy. Also, there will still be an expectation of some sort of ‘alignment’ with neighbouring areas.

**4.8. Therefore, the Plan should not be delayed so as to avoid compliance with the DTC or to await the proposed alignment policy,**

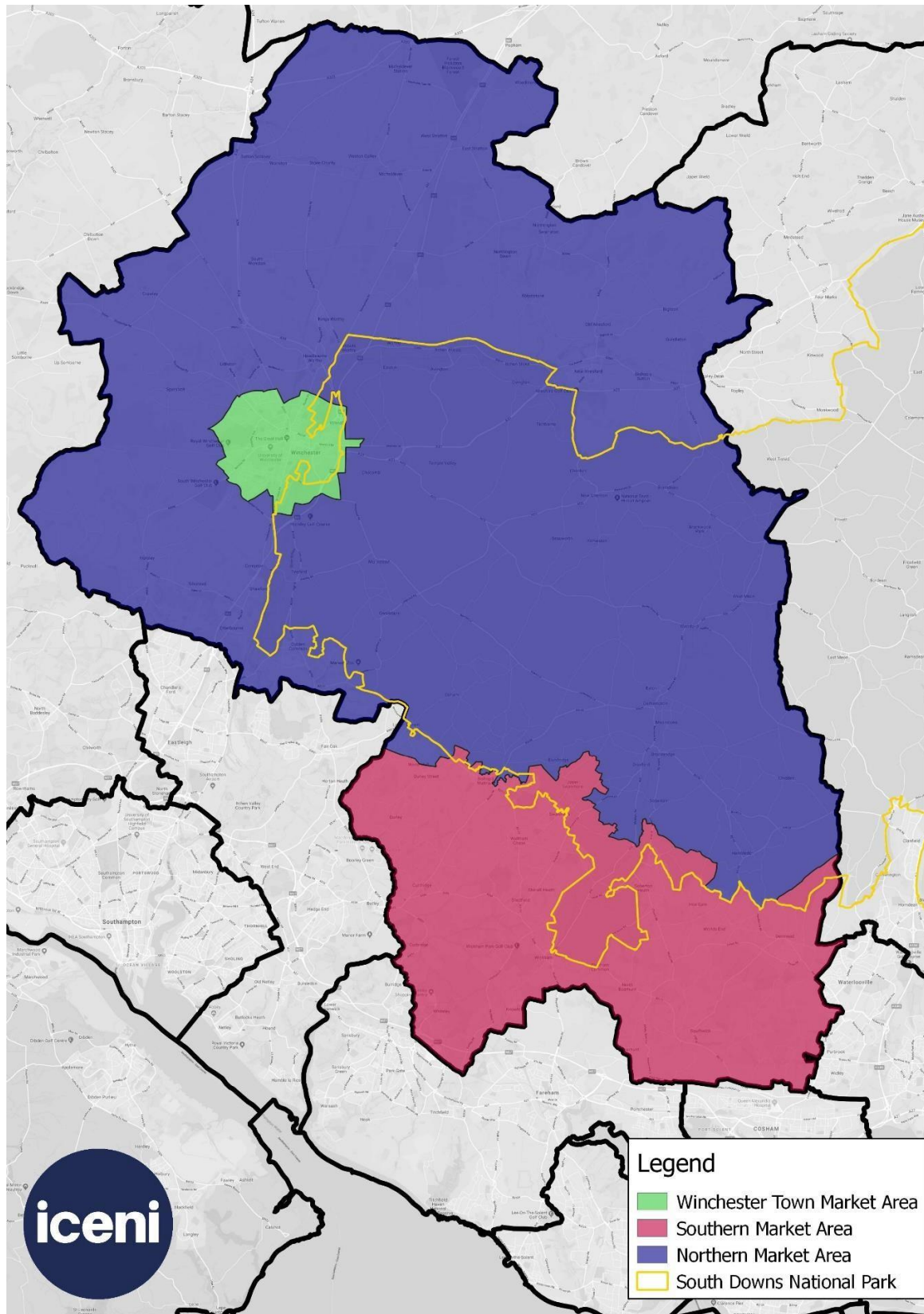
#### **Expected Location and Scale of Unmet Housing Needs**

4.9. The NPPF refers to housing *‘needs that cannot be met within neighbouring areas’* (NPPF para 61) and the PPG suggests that the areas to be covered by statements of common ground will depend on the *‘strategic matters being planned for’* and *‘the most appropriate functional area to gather evidence... for example housing market and travel to work areas...’* (PPG ID: 61-017-20190315). Advice is then given on how to define housing market areas, which are clearly the most relevant geographical area in terms of housing needs.

4.10. The [Winchester District Strategic Housing Market Assessment](#) (SHMA 2020) undertook a detailed assessment of the housing market areas within and adjoining the District (SHMA Appendix 1) and the 2024 SHMA Update does not amend this. This reflected the PPG advice and included consideration of the housing stock, house prices, affordability, commuting and travel to work areas, self-containment, and previous SHMA studies.

4.11. The SHMA concludes that *‘Winchester District shows a differentiation between north and south. The southern parts of the local authority have strong commuting connections with Havant, Portsmouth and Fareham, displaying similar house prices and types. On the other hand, Winchester town shows consistently higher house prices than the rest of the District...’* (SHMA Appendix 1 para 2.60 – 2.61). This is illustrated at Figure 2.14 of the SHMA:

SHMA Figure 2.14: Winchester District Market Areas



4.12. There have been several SHMAs focussed on different scales or locations, but these typically confirm that this north – south differentiation extends into neighbouring authorities. The northern part of the District is commonly identified as being within a Central Hampshire market area that includes the northern parts of Winchester, Test Valley and East Hampshire Districts and Basingstoke (although the Basingstoke SHMA concludes Basingstoke is a self-contained HMA). In the south, most SHMAs identify a South Hampshire housing market area, often split into Southampton and Portsmouth areas or sub-areas. This includes the southern parts of Winchester, Test Valley and East Hampshire Districts along with a series of South Hampshire local authority areas: Southampton, Eastleigh, Fareham, Gosport, Portsmouth, Havant (and in some reports New Forest and Chichester). This generally coincides with the Partnership for South Hampshire (PfSH) area, which some HMAs identify as a housing market area.

#### Central Hampshire / Northern Winchester District HMAs

4.13. The ‘neighbouring areas’ to the north of the District are Test Valley, East Hampshire and potentially Basingstoke and Deane. Along with Winchester, these are all large rural districts that are typically capable of meeting their own housing needs in full. Basingstoke did not comment on the housing provisions of the draft Local Plan. Test Valley’s comments supported references to collaborative working with neighbouring authorities and PfSH and confirmed its draft Local Plan is seeking to meet its housing requirement in full. East Hampshire commented only on the unmet needs in PfSH. Therefore, none of the Central / Northern housing market area authorities have identified any unmet housing needs.

#### South Downs National Park

4.14. As illustrated by SHMA Figure 2.14, the part of the South Downs National Park (SDNP) within Winchester District is primarily in the Northern Market Area, so within the wider Central / Northern Hampshire HMA. About 40% of Winchester District lies within the SDNP but this sparsely developed area accommodates only about 10% of the District’s population. The SDNP undertook its own Housing and Economic Development Needs Assessment in the preparation of its current Local Plan (South Downs HEDNA 2017). The National Park Authority and Winchester City Council signed a statement of common ground in March 2018 confirming that the Objectively Assessed Need (OAN) within the National Park part of Winchester District was 31 dwellings per annum, of which the South Downs Local Plan could provide 15 dwellings per annum. The shortfall would be provided within the rest of Winchester District through the Winchester District Joint Core Strategy in place at the time (covering the whole District).



- 4.15. The SDNP Authority has published an updated Housing and Economic Development Needs Assessment (HEDNA September 2023). This shows that if the Standard Method were applied in proportion to the population of the SDNP part of Winchester District ('top down' method) there would be a need for 69 dwellings per annum in the SDNP part. An alternative 'bottom up' approach using local evidence of housing need produces an annual need of 38 dwellings for the SDNP part of Winchester District. The 2023 HEDNA concludes that *'the bottom up approach is based on local demographic evidence and market signals specific to the National Park, as per the PPG it is more robust and is a better illustration of need than the top down approach'* (SDNP HEDNA 2023, para 4.70).
- 4.16. The emerging Winchester Local Plan will cover the part of the District outside the National Park, with the part within the National Park being covered by the existing South Downs Local Plan and its emerging review. However, the Standard Method gives a whole-District housing figure, so it is necessary to determine either a housing requirement for the non-SDNP part of the District, or how much of the District housing requirement is likely to be provided within the SDNP. The 2023 SDNP HEDNA considers 'top down' and 'bottom up' methods of determining housing need, resulting in annual figures of 69 or 38 dwellings respectively. The HEDNA concludes that a 'bottom up' approach is more appropriate but, given the constraints of the Park area, it is not expected that the Park will be able to meet its housing needs in full whichever approach is adopted.
- 4.17. Nevertheless, some housing will be achieved within the SDNP part of the District. Having assessed the level of existing completions, commitments, Local Plan allocations and windfall potential within the SDNP part of Winchester District, officers from Winchester and the SDNP Authority agreed in an exchange of email correspondence in June 2022 that the provision of 500 dwellings over the Local Plan period would be a reasonable working assumption to make in the Regulation 18 Winchester Local Plan (Strategic Policy H3). At the time (November 2022), almost half of this (222 dwellings) was already identified through completions since the start of the Winchester Plan period, planning consents and SDNP Local Plan / Twyford Neighbourhood Plan allocations. The remainder would be provided through windfall over the Winchester Local Plan period, equating to about 14 dwellings per annum over the 20-year Local Plan period.
- 4.18. Some comments on the Regulation 18 Local Plan question why some of the District housing requirement is proposed to be provided in the National Park, and interpret this as Winchester not meeting its SM housing figure. This misunderstands the fact that the SM figure covers the whole of Winchester District which includes a substantial area within the SDNP. The SDNP does not have its own SM requirement as it is not a District Council and covers various local authority areas. It is not, therefore, a matter of Winchester failing to meet

its SM figure, but of determining how much of this is likely to be provided within the SDNP part of the District (through the existing and replacement SDNP Local Plan), and how much remains to be provided in the rest of the District (through the emerging Winchester District Local Plan).

- 4.19. Other comments suggest the figure allocated to the SDNP should be higher, or that it is too high and would be harmful to the SDNP. The provision of 500 dwellings that was included in the Regulation 18 Local Plan over the 20-year Plan period equates to 25 dwellings per annum, which is lower than either of the most recent HEDNA estimates of need (69dpa or 38dpa), but higher than anticipated in the previous Statement of Common Ground (15dpa). Since 2011 there has been an average of 21 dwelling completions per annum in the SDNP part of the District.
- 4.20. In response to the Regulation 18 Local Plan (November 2022) the SDNPA commented that *'the figure of 500 homes will need further evidence as part of the SDNP Local Plan Review which is just starting, and that it will continue to work proactively with WCC to achieve a robust joint position through a new Statement of Common Ground, whilst not pre-empting the South Downs Local Plan Review and taking into account forthcoming amendments to the NPPF'*. At a Statement of Common Ground meeting between officers from WCC and the SDNPA in November 2023 strong concerns were expressed by SDNPA officers about the 500 dwelling figure and it was pointed out that the Levelling Up and Regeneration Act 2023 makes changes which require authorities to 'further' the purposes of National Parks, rather than 'have regard' to them. Allied to this, officers from the SDNPA highlighted that planning permission for a care home at Twyford was now not being pursued by the applicant, which would result in a loss of 73 dwelling equivalents that had been previously counted as commitments. City Council officers urged the SDNP to accommodate as much of its own housing need as possible, whilst recognising the constraints that exist and the priority given by legislation to conserving and enhancing National Parks.
- 4.21. While the SDNP Authority did not formally object to the inclusion of the 500 dwelling figure, it has significant concerns and the figure also needs to be updated. The situation regarding completions, commitments, and future Local Plan allocations is fluid but there remains a need for the Winchester Local Plan to include a figure for the expected number of completions in the SDNP area over the Plan period. Past delivery rates in the SDNP part of the District amounted 21 dwellings per annum from 2011 to 2023, reducing to 16 dwellings per annum in the last 10 years (2013 to 2023). If similar rates were achieved over the emerging Local Plan period (2020-2040) this could deliver 320 – 420 dwellings. This does not take account of any new allocations that may be made in the emerging SDNP Local Plan. On this basis, a modest estimate is made of about 350 dwellings within the SDNP part of the District over the Local Plan period. This could meet part of the SDNP's housing need of 760 dwellings over 20 years (based on the 2023 HEDNA 'bottom up' figures). Ultimately it is for the SDNP Local Plan to assess housing needs across the SDNP area and to put

forward appropriate housing policies and allocations, but this process will not be completed before the Winchester Local Plan progresses to the Regulation 19 version.

- 4.22. The housing contribution from the SDNP part of the District is uncertain as the SDNP Authority is reluctant to commit to a figure in advance of further work to update its Local Plan. If the estimate of 350 proves to be too high, any shortfall can be provided from the 'unmet needs allowance', if it proves to be too low the amount available to meet other unmet needs will be higher. This area of uncertainty will be noted in the updated Statement of Common Ground and resolved as the SDNP Local Plan progresses.
- 4.23. The draft Winchester Local Plan referred to the total District housing requirement of about 15,620 dwellings in its relevant polices (H1, H2, H3). This included the estimate of 500 dwellings in the SDNP part of the District, which is outside the Winchester Local Plan area. This raises the question of whether the Winchester Plan should only refer to the housing requirement for its Plan area (excluding an element in SDNP) or the whole-District requirement. The Plan needs to explain how it has arrived at the whole-District requirement, and how much is expected to be in the SDNP part of the District. As this element depends on the emerging SDNP Local Plan, which is progressing separately from the Winchester Local Plan, it is not within the direct control of the Winchester Plan and should be removed from the Winchester Local Plan housing policies.
- 4.24. **Therefore, it is recommended that the Winchester Local Plan should explain the relationship between the District housing requirement and expected provision in the SDNP, but its policies should only refer to the requirement for the Winchester Local Plan area (excluding the SDNP).**

#### South Hampshire / PfSH / Southern Winchester District HMAs

- 4.25. The 'neighbouring areas' to the south of the District are the southern parts of Test Valley and East Hampshire, Southampton, Eastleigh, Fareham, Gosport, Portsmouth, Havant and potentially New Forest and Chichester. These are all part of the Partnership for South Hampshire PfSH, except for Chichester. As noted above, Test Valley and East Hampshire are large rural districts that are capable of meeting their own housing needs, with Eastleigh and Fareham also likely to exceed their housing needs. Other more urban districts may not meet their housing needs, especially Southampton, Portsmouth and Gosport. Havant had expected to exceed its SM figure but this is no longer the case having withdrawn its Local Plan. New Forest is a large rural district but much of it is either within the New Forest National Park or constrained by green belt or ecological designations, so expects to have a substantial shortfall over its SM figure.

4.26. The Council is in the process of producing Statements of Common Ground with the relevant individual Local Planning Authorities and statutory agencies prior to publication of the Regulation 19 Local Plan. The commentary below takes account of the comments submitted by neighbouring authorities and subsequent discussions on Statements of Common Ground. In addition, the Partnership for South Hampshire agreed and published a [Spatial Position Statement](#) in December 2023.

4.27. The draft Regulation 18 Local Plan proposed a ‘buffer’ of 1,450 dwellings either to accommodate future increases in the Standard Method figure or to help meet the unmet needs of other authorities (draft Local Plan Table H2, page 229). Comments were received on the draft Local Plan from Test Valley, East Hampshire, Southampton, Eastleigh, Fareham, Portsmouth and Havant, *summarised in italics* as follows:

- *Test Valley – ‘Support reference to collaborative working with neighbouring authorities, including the Partnership for South Hampshire (PfSH). The PfSH authorities are jointly working on various strategic planning matters, such as the scale of any shortfall in housing provision over South Hampshire. Note that the Regulation 18 Local Plan includes a ‘buffer’ of housing supply to help contribute towards any shortfall. As identified in the Test Valley draft Local Plan 2040 Regulation 18 (Stage 1), we are currently seeking to meet our proposed housing requirement in full. Across Southern Hampshire, the amount of unmet need and in which area(s) this may be located is yet to be determined.’*

The PfSH Spatial Position Statement indicates that Test Valley is an authority that should be able to meet and potentially exceed its standard method-based housing need. The Test Valley Regulation 18 Local Plan was published for consultation in February 2024. It does not include any specific provision for the unmet needs of other authorities, on the basis that these have not yet been determined. The draft Plan identifies a Borough-wide housing requirement of 11,000 dwellings (2020 – 2040) with an estimated supply of 12,415 dwellings. Therefore, whilst not making a specific allowance for unmet needs, the draft Plan includes an ‘over-provision’ of about 1,415 dwellings. In its comments on the draft Plan, Winchester City Council suggested that this figure should be retained or increased and specifically assigned to help meet unmet needs in the PfSH area.

Through work on developing a Statement of Common Ground, both authorities agree that they expect to meet their own Standard Method housing need and will consider other authorities’ unmet needs in developing their respective Local Plans.

- East Hampshire – *‘Support the ‘buffer’ but as much as possible needs to be looked at for the unmet needs of the PfSH area as the numbers presented are significantly less than envisaged by wider PfSH.’*

The PfSH Spatial Position Statement indicates that East Hampshire is an authority that should be able to meet and potentially exceed its standard method-based housing need.

East Hampshire’s Regulation 18 Local Plan was published for consultation in January 2024 and allocates sites for approximately 3,500 dwellings, which is about 640 dwellings more than its housing requirement after taking account of expected unmet needs in the SDNP part of its District. Although these are not assigned to addressing specific unmet needs, the Plan states that *‘in the context of the need for flexibility and addressing the potential unmet needs of the wider South Hampshire sub-region, the Local Plan allocates sites that could deliver more than the 2,857 new homes requirement listed above.’* (East Hampshire Regulation 18 Local Plan 2024, paragraph 9.21).

Through work on developing a Statement of Common Ground, both authorities agree that there is no unplanned housing need arising from either authority on which it is seeking assistance from the other.

- Southampton and Eastleigh – *‘Welcome the additional buffer of 1,450 dwellings in addition to the calculated standard method figure, which will help to cater for any potential future increases in the standard method and contribute towards the identified PfSH shortfall. Welcome the continued cooperation with neighbouring authorities through PfSH, the outcome of the final PfSH Joint Strategy will indicate whether Winchester should increase the buffer. Recommend that the Council considers this further in parallel to the PfSH Joint Strategy in progressing the next stage of its plan. This will help with responding effectively to any future changes in the housing needs which may arise from the PfSH Joint Strategy.’*

The PfSH Spatial Position Statement indicates that Eastleigh is an authority that should be able to meet and potentially exceed its standard method-based housing need. It suggests that Southampton has a substantial shortfall as a result of the Government’s 35% urban centres uplift, without which there would be a surplus. The NPPF is clear that an urban uplift *‘should be accommodated within those cities and urban centres themselves except where there are voluntary cross boundary redistribution agreements in place...’*. This approach is reflected in the PfSH Spatial Position Statement, which does not support redistribution to adjoining authorities.

Work on a review of the Eastleigh Local Plan is at an early stage but, through work on developing a Statement of Common Ground, both

authorities agree there is no established unmet housing need from Eastleigh arising at this point in time.

- Fareham – *‘Support the intention to meet the districts’ housing requirement as calculated through the Standard Methodology. Welcome the proposed contribution to the unmet need of neighbouring authorities, which is a substantial contribution to those needs will help South Hampshire authorities deliver on the aims of the Joint Strategy currently under preparation. Fareham Borough Council has included within its Plan a commitment to consider a review the Plan should a more significant need arise from the Joint Strategy work. Given there remains some uncertainty around the final numbers that will need to be met and the Duty to Cooperate requirement, suggest that Winchester City Council considers similar arrangements.’*

The PfSH Spatial Position Statement indicates that Fareham is an authority that should be able to meet and potentially exceed its standard method-based housing need. Fareham’s Local Plan was recently adopted and provides about 900 dwellings more than its housing requirement, of which 800 are allocated to help meet Portsmouth City Council’s unmet need. An early review is planned but this has not yet commenced or established an updated housing need.

Work on developing a Statement of Common Ground has established that both authorities are planning to deliver sufficient housing to meet their individual local housing needs.

Portsmouth – *‘Winchester shares a common boundary with Portsmouth and the last Strategic Housing Market Assessment prepared by PfSH noted that some of the District’s southern wards are in the Portsmouth Strategic Housing Market Area. Both the City and District Councils have worked closely together as part of PfSH. As Portsmouth is one of the local authorities struggling to meet its need, this additional buffer is welcomed. Portsmouth currently has an expected shortfall of approximately 3,600 dwellings and has previously requested that its neighbours accommodate a portion of its unmet need. This included Fareham Borough Council, which agreed to accommodate 800 dwellings of unmet need from the City in its emerging Local Plan. The City Council would therefore like to request that Winchester City Council earmarks a meaningful portion of its housing buffer towards meeting unmet need of the City of Portsmouth, which should be located within a sustainable travel to work area from Portsmouth. Portsmouth looks forward to addressing the matter of unmet housing need and other strategic cross boundary issues in a new Statement of Common Ground.’*

The PfSH Spatial Position Statement confirms that Portsmouth is unlikely to be able to meet its standard method-based housing need. Portsmouth

has produced a Housing and Economic Land Availability Assessment (HELAA) which indicates that it is likely to have a shortfall of 4,377 homes against its 2023 Standard Method need figure. 800 of this is provided by the Fareham Local Plan and Portsmouth has formally contacted Winchester (January 2024) and other neighbouring local authorities to seek assistance in meeting the remaining unmet need of 3,577 dwellings (see Portsmouth letter at Appendix 1). Following a meeting between officers of each authority in April 2024 the City Council's replied to Portsmouth City Council on 16<sup>th</sup> April 2024 (see Appendix 1).

Work on developing a Statement of Common Ground confirms that Portsmouth is unlikely to be able to deliver sufficient housing to meet its local housing need and that Winchester will consider what it can contribute.

- Havant – *'Note that the plan makes provision to meet Winchester's housing need in full, together with some need from the South Downs National Park. Joint working at the PfSH level has shown significant unmet need across the sub-region, including need in districts bordering Winchester, in particular Portsmouth and Havant. It is acknowledged that Havant's evidence base on housing supply is currently not well enough advanced to confirm supply against the Standard Method and thus categorically confirm whether or not it will be able to meet its own development needs over the plan period. No formal request to accommodate unmet need from Havant has been submitted. Before making any such request, Havant Borough Council will continue to build its evidence base regarding housing need and supply, including an updated SHLAA, and a detailed constraints and supply analysis. HBC will leave no stone unturned to meet its own need, before making requests to other districts. However, it is highly likely that Havant will be forced to make a formal request in due course and, whilst it is understandable that this point is not specifically addressed in Winchester's Regulation 18 Plan, it is considered inevitable that this will need to be addressed and further sites allocated within the Regulation 19 Plan.'*

*HBC appreciates that the Local Plan acknowledges the likely shortfall in the PfSH area, and that it has included an allowance of 1450 to potentially contribute to that need. HBC also supports Winchester in reconsidering the capacity of the land West of Waterlooville and including additional supply through site allocation SH1. However, it is noted that the same 'buffer' of 1450 may be needed by WCC themselves should there be changes to the standard method, which could prejudice WCC's ability to help with unmet need from neighbouring districts. It is not clear what the figure of 1,450 is based on, or why it could not be higher, the 'Development Strategy and Site Selection' Paper does not elaborate. WCC's published SHELAA indicates that it is not a lack of potential sites*

*that limits the district's ability to plan for a larger number. HBC would therefore urge WCC to reconsider as it works towards its Regulation 19 Plan, whether additional need from neighbouring districts could be planned for.*

*Joint working will be required as both Winchester and Havant move towards their Regulation 19 Plans. Thank you for WCC's desire to be involved in discussions on the nature and location of development (including housing and traveller sites) and infrastructure in HBC's area. Havant would equally like to continue to engage in detail in Winchester's strategy and site selection as the District Local Plan moves forward, including an invitation for Winchester to work with Havant on an analysis of development constraints and supply in both districts. HBC is commissioning a piece of work for its whole area to support the Local Plan in any case, but joint working would be beneficial. HBC and WCC have a proven track record of positive collaboration on cross-boundary matters and we look forward to continuing that positive collaboration and discussing our respective local plans as they progress.'*

The PfSH Spatial Position Statement confirms that Havant is unlikely to be able to meet its standard method-based housing need. Havant has undertaken updated housing capacity work as part of its Local Plan preparation, which has confirmed a substantial shortfall. Havant Borough Council has since written formally to Winchester City Council to request assistance in meeting an expected unmet need of 4,309 dwellings. A copy of this letter, and the City Council's response, are attached at Appendix 2.

Work on developing a Statement of Common Ground confirms that Havant is unlikely to be able to deliver sufficient housing to meet its local housing need and that Winchester will consider what it can contribute.

- 4.28. It will be noted from the comments received that the only formal request to help with unmet needs at the Regulation 18 Local Plan stage was from Portsmouth, although Havant has since made a request. All the Hampshire authorities within the South Hampshire HMA have worked together as part of the Partnership for South Hampshire (PfSH) to develop an updated [Spatial Position Statement](#) (agreed by the PfSH Joint Committee in Dec 2023), as mentioned in several comments. This work had already led to draft PfSH Statements of Common Ground agreed by all authorities through the PfSH Joint Committee. These set out the formal agreement to work together on cross-boundary strategic issues and the joint working on evidence studies and strategy development that has now culminated in the Spatial Position Statement.
- 4.29. PfSH has been a forum for South Hampshire authorities to work together for many years, having been set up in 2003, and has a strong track record in collaborative working. It was heavily involved in the production of a sub-regional



strategy for the South East Plan which was tested through public examination and adopted by the Secretary of State. The Partnership has provided effective strategies for sub-regional planning and works with partner agencies as well as Government departments to deliver joint strategies and pool resources.

- 4.30. In 2019 the PfSH Joint Committee approved a framework setting out how it would produce a Statement of Common Ground (SoCG) and also produce a new Joint Strategy. A Statement of Common Ground was agreed by the Joint Committee in 2020 and this has been updated annually since (in 2021, 2022 and 2023). These SoCGs include tables setting out current housing need (using the SM) and supply across the PfSH area. Various development interests highlight that the 2022 update includes tables indicating a 'shortfall' across PfSH of almost 20,000 dwellings (2022-2036). They point out that this was an increase from almost 13,000 in the previous year and that the situation may worsen when the SM is updated. They suggest Winchester should include a bigger 'buffer' and that this should be dedicated to helping meet unmet needs in PfSH.
- 4.31. The 2023 update to the [PfSH Statement of Common Ground](#) includes Table 1 which sets out an updated housing need, supply and any shortfall, amounting to about 14,500 dwellings. However, these do not equate to unmet housing need over the period concerned, rather a 'snapshot' of the current situation. The housing needs are based on the 2022 SM so will change over time, even without any changes that the Government may make to the SM in the medium term. Also, the housing supply situation is based only on planning consents, allocations in adopted local plans, and SHELAA / windfall sites where justified. As the SoCGs consider the situation to 2036, all Local Plans within PfSH will need to be reviewed several times during this period, so have the opportunity to make additional provision.
- 4.32. Furthermore, Winchester City Council is only partly within the PfSH area and has not defined any spatial area / housing target in its Local Plans that correlates to the PfSH part of the District. The SoCG has therefore needed to make an estimate of housing need within the PfSH part of Winchester, which is based on the proportion of the District's population estimated to be in PfSH. However, this does not reflect the SM or the planning strategy for the District, which focusses substantial development in the south, reflecting the provisions of the previous South East Plan and the current Local Plan.
- 4.33. For this reason the housing supply in the PfSH part of the District appears significantly higher than the theoretical 'need', implying a surplus of supply that is available to meet wider PfSH needs. Over the District as a whole (which is the area dealt with by the SM) there is not a significant surplus and the City Council does not, therefore, accept that the supply 'surplus' that was shown in previous versions of the SoCG represents a realistic position or is actually available to PfSH. Accordingly, the 'supply' at Table 1 of the 2023 SoCG has been set to balance the 'need' (see footnote 4 of the SoCG) so as to show a zero

surplus/shortfall for Winchester and remove any misleading impression of a surplus of housing within the PfSH part of the District.

- 4.34. Some respondents to the draft Local Plan suggest that this means Winchester is refusing to make available this theoretical surplus to PfSH or that it is using housing in the PfSH part of the District to meet the housing needs of other parts. These arguments are not accepted, as the SM (and OAN previously) is a District-wide figure and it is for the Local Plan to determine the development strategy for apportioning it within the District. It is not necessarily possible or appropriate to base this apportionment on the proportion of population in each sub-area, as has been shown above in the case of the SDNP.
- 4.35. Various respondents express concern that the PfSH Joint Strategy may not be available in time to inform the Local Plan, although some accept that the Plan should be progressed anyway with an allowance along the lines of the draft Plan's 'buffer'. In fact, the PfSH [Spatial Position Statement](#) was agreed and published by the PfSH Joint Committee in December 2023. This sets out strategic principles for future development and identifies which PfSH authorities are likely to have unmet needs and which may be in a position to help provide them, broadly reflecting the situation described at paragraph 4.23 above.
- 4.36. The PfSH [Spatial Position Statement](#) 2023 updates the 'snapshot' of housing needs and supply using the 2023 SM, resulting in an overall shortfall of 11,771 dwellings (PfSH Spatial Position Statement Table 1). The Spatial Position Statement proposes a two-stage approach to meeting housing needs, firstly identifying those authorities (including Winchester) which are likely to be able to meet or exceed their housing needs in the short / medium term, and secondly identifying broad locations for strategic growth in the longer term. These new 'broad areas of search' (Strategic Principle SPS8) include one area within Winchester District (East of Botley) and are estimated to have a total capacity of about 9,700 dwellings.
- 4.37. The PfSH Spatial Position Statement therefore sets out a strategic approach to meeting the housing needs of the sub-region. The Regulation 18 Local Plan included a 'buffer' to contribute towards PfSH unmet needs and it is recommended above that this be updated in the Regulation 19 Plan and termed an 'unmet needs allowance'. This is consistent with the first stage of PfSH's approach to meeting housing needs and will result in a significant short / medium-term contribution.
- 4.38. While the PfSH Spatial Position Statement identifies a 'broad area of search' East of Botley, policy SPS8 is clear that the suitability and deliverability of such areas should be considered in local plans, in accordance with stage two of the PfSH strategy. In order for a Local Plan to identify and allocate any new strategic growth areas substantial additional work would be needed to refine the area of search, assess constraints and other evidence, consult landowners and the public, and develop detailed site allocation proposals and masterplans.

Under current Government guidance this would also need to include consideration of 'reasonable alternatives'. If this work were undertaken as part of the current emerging Local Plan it would be necessary to delay the Plan for a considerable period.

4.39. It is recommended above that the emerging Local Plan should not be delayed to await removal of the Duty to Cooperate. Nor should a substantial delay be introduced to facilitate the planning of a new strategic growth area. Any work on a potential new strategic growth area, if still needed at the time, should be progressed by means of a Local Plan review, or possibly a separate plan for the area concerned.

4.40. The current position with regard to unmet housing needs within PfSH, therefore, is that only one authority commenting on the draft Local Plan has attempted to quantify their unmet needs (Portsmouth) and another has since done so (Havant). Portsmouth City Council has since made a formal request to Winchester City Council for help in meeting its unmet housing needs (see letter dated 11 January 2024 and WCC reply at Appendix 1), but neither its Plan nor Havant's have yet been independently examined to show that all options to meet needs have been rigorously assessed ('no stone unturned'). Portsmouth's letter requests help with an unmet housing need of 3,577 homes, after taking account of provision within the Fareham Local Plan (800 dwellings). Havant expects to have a shortfall of about 4,300 dwellings, which it has now formally requested assistance with (see Appendix 2). It should be noted that the updated Standard Method figures for these authorities has since reduced by a small amount.

4.41. In order to be able to progress its Local Plan in the face of these uncertainties, Winchester included the 'buffer' of 1,450 dwellings in the Regulation 18 Local Plan. The draft Local Plan referred to this as also potentially being needed to deal with an increase in the SM, but this has not materialised in 2023 or 2024, so appears unlikely to increase before the Plan is submitted for examination. It is, therefore, **recommended that an updated 'unmet needs allowance' should be included in the Regulation 19 Plan, specifically to contribute towards unmet needs in the PfSH area rather than a more generalised 'buffer'. The scale of the allowance is considered below.**

4.42. A similar approach was adopted by Fareham Borough Council in its Local Plan, now adopted. It identified a 900 dwelling allowance for PfSH, of which 800 was specifically to help meet unmet needs in Portsmouth. This approach was assessed by the Inspector examining the Plan, whose report comments as follows on the DTC:

*'19. One of the key strategic cross boundary and sub regional issues has been the issue of unmet housing need. This has been the subject of discussion through the PfSH. The Partnership are working on a revised Spatial Position Statement to set out the overall need for and distribution of*

*development in South Hampshire. This is anticipated to be available in late 2023.*

*20. Portsmouth City Council made a request to the Council in February 2020 for Fareham to contribute 1000 dwellings towards its unmet housing needs. This figure was later reduced to 669 dwellings in September 2020 after the authority had undertaken further work. In advance of the Partnership's sub regional work, the Council has committed to contribute 900 dwellings towards the sub regional unmet housing need. This figure is included in the submitted Plan.*

*21. In summary, I am satisfied that where necessary the Council has engaged constructively, actively and on an on-going basis in the preparation of the Plan and that the DtC has therefore been met.'* ([Fareham Local Plan 2037 Inspector's Report](#), paragraphs 19 – 21)

4.43. The Fareham Inspector's Report considers the issue in greater detail at paragraphs 66 – 69, where the 'shortfall' set out in the PfSH SoCGs is noted, along with the request from Portsmouth to help with its unmet needs. The Inspector notes that *'many have argued that in light of the likely significant unmet need in the sub region, the Fareham Local Plan should make a greater contribution at this stage'* but she comments that *'the situation is still fluid, as the local planning authorities continue to work to progress their individual local plans. The implications of wider planning reform will also need to be considered. PfSH are working on a Joint Strategy to address this issue. This is expected to identify a housing distribution through the identification of Strategic Development Opportunity Areas. These would be for the individual authorities concerned to take forward in their local plans...'* The Inspector concludes that *'it is not unreasonable for the authority to contribute towards Portsmouth unmet need in this Plan and to continue to work with the PfSH on a Strategy to address the sub regional unmet need. Should this result in the need for further housing in the Borough, the Council has confirmed that they will consider an early review of the Plan....'* ([Fareham Local Plan 2037 Inspector's Report](#), paragraphs 68 – 69)

4.44. The Fareham Inspector's Report is recent (March 2023) and there are parallels between the Fareham and Winchester situations. Both authorities are part of PfSH and are faced with development interests suggesting a greater contribution towards unmet PfSH needs. The situation regarding the SM and planning reforms remains *'fluid'* to some extent, although PfSH has now agreed its Spatial Position Statement and agreed a strategy for housing provision. The Fareham Local Plan specifically referred to helping meet the unmet needs of Portsmouth, but that was the only authority that had requested such assistance at the time. Portsmouth and Havant have asked that Winchester make a contribution to their unmet needs, although these have yet to be confirmed through examination of either authorities' local plans.

4.45. Fareham volunteered to consider an early review of its Local Plan if the PfSH work resulted in a need for further housing. This is not something Winchester has suggested at this stage although, as noted above, a Local Plan review or a separate plan is likely to be needed. Given that there also remains some uncertainty over future housing needs, and as a review of the Plan will be required in 5 years anyway, **it is recommended that the Regulation 19 Local Plan should not include a commitment to an early review at this stage.**

#### **Scale of the Unmet Need Allowance / 'Buffer'**

- 4.46. As shown above, the scale of any PfSH unmet remains uncertain and is unlikely to be fully clarified before the Regulation 19 Local Plan needs to be finalised. The draft Local Plan proposed a 'buffer' of 1,450 dwellings and it is recommended that the Regulation 19 Plan should take a similar approach, but attributing this towards unmet PfSH needs. This would be consistent with the first stage of the PfSH strategy for meeting housing needs, with the second stage (new strategic growth areas) following through a new plan if necessary.
- 4.47. Various comments on the draft Local Plan question how the 1,450 dwelling buffer was derived and/or suggest that the Local Plan's spatial strategy should be changed to enable a significant increase in housing. The means of addressing this issue suggested by respondents often reflects where they are promoting (or opposing) development. Those promoting sites around Winchester or in the north of the District tend to suggest that sites in the south should be hypothecated to meeting PfSH needs and their sites should be allocated to meet remaining District needs. Those promoting sites in the south of the District tend to suggest that their sites need to be allocated to help contribute towards meeting the PfSH need.
- 4.48. The Council has undertaken substantial consultation on the development strategy for the District. In part, this is dictated by the high level of housing completions and commitments remaining, which means that the existing Local Plan development strategy will continue to some extent. The Strategic Issues and Priorities consultation in 2021 identified 4 potential development strategies, which it fleshed out and asked for views on. The consultation showed a very clear preference for Approach 1 (distributing development to a sustainable hierarchy of settlements based on the existing Local Plan), which performed well in terms of its potential to support existing settlements, use of brownfield sites and reducing the need to travel. Approaches 2 and 4 were also fairly well-supported (focus development on Winchester or a more dispersed strategy). Approach 3 (new strategic allocation / settlement) received substantial objection and its promotion of large-scale greenfield development was considered at odds with maintaining the viability of existing centres, reducing travel and carbon emissions, and making best use of brownfield land (see Draft Local Plan paragraphs 9.9 – 9.11).

4.49. The proposed development strategy therefore is based on Approach 1, reflecting the legacy of the current Local Plan commitments, with elements of Approach 2 (particularly the allocation of Sir John Moore Barracks in Winchester) and Approach 4 (with the inclusion of housing targets for additional rural settlements). The Council has consulted on the reasonable alternatives and tested these through the Integrated Impact Assessment (IIA), including sustainability appraisal. The proposed development strategy is supported by the evidence base, including the fact that the level of PfSH unmet need remains to be defined precisely. It therefore reflects the NPPF tests of soundness which require the Local Plan to be:

- *‘Positively prepared – providing a strategy which, as a minimum, seeks to meet the area’s objectively assessed needs; and is informed by agreements with other authorities, so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development;*
- *Justified – an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence...’* (NPPF para 35).

4.50. The 1,450 dwelling ‘buffer’ was derived from the development capacity that can be achieved through the proposed development strategy, also taking account of the approach and quantum of housing offered to meet unmet needs in the adopted Fareham Local Plan. The Local Plan’s housing requirement, land supply, development strategy and site allocations have been reviewed in the light of representations received and updated evidence. However, it is not accepted or considered reasonable that the Local Plan’s development strategy should be changed to achieve a higher housing supply solely on the basis of the (currently not fully defined) unmet needs of the PfSH area. Indeed, some respondents suggest that the ‘buffer’ figure already requires too high a proportion of the new development allocations in the Local Plan.

4.51. The NPPF requires *‘an appropriate strategy’* and no longer expects the Council to demonstrate *‘the most appropriate strategy’* (NPPF paragraph 35), although the Council believes the proposed strategy is the most appropriate as do many consultees. Authorities that are unable to meet their housing needs in full are required to *‘explore all available options for addressing their own needs’* (‘leave no stone unturned’) whereas Winchester is able to meet its needs and as such is *‘not obliged to accept needs from other areas where it can be demonstrated it would have an adverse impact when assessed against policies in the National Planning Policy Framework’* (PPG ID: 61-022-20190315).

4.52. Winchester is able to accommodate some unmet needs from neighbouring areas and is willing to do this, so far as possible, within the Local Plan’s proposed development strategy. The PfSH Spatial Position Statement has now been agreed and the Local Plan’s approach is consistent with this. The available capacity within the development strategy has been updated and **it is**

**recommended that the Regulation 19 Plan includes an ‘unmet needs allowance’ of about 1,900 dwellings, which is considered to be proportionate and achievable. If there is a need to identify and plan for a new strategic growth area, this should be through a review of the Local Plan or a separate development plan document, rather than introducing a substantial delay to the current emerging Local Plan.**

### **Planning for Unmet Needs**

- 4.53. As noted above, the draft Plan identified a ‘buffer’ of 1,450 dwellings to help contribute towards the unmet needs of other authorities and this was added to the overall SM figure to give an uplifted District requirement. This figure will be updated (currently estimated at about 1,900 dwellings) and included as an ‘unmet needs allowance’ in the Regulation 19 Local Plan, specifically to contribute towards unmet PfSH needs. However, some respondents suggest that the Plan should identify specific sites or locations as contributing towards unmet needs, and/or identify which authority’s needs an area is contributing towards.
- 4.54. The Council’s understanding of the NPPF and PPG is that the unmet need uplift should be added to the overall housing requirement (NPPF para 61, PPG Reference ID: 2a-010-20201216) and that there is no requirement to allocate specific sites towards meeting this need. Nor is it necessary to identify which sites are meeting which authority’s needs. Therefore, the draft Local Plan followed this approach and identified an overall ‘buffer’ as its contribution.
- 4.55. As identified above, any unmet housing needs are expected to arise in the South Hampshire housing market area, covered by the Partnership for South Hampshire (PfSH). In practice, there is already a significant emphasis on housing provision in this area, with two strategic allocations in the South Hampshire Urban Areas spatial area (West of Waterlooville and North Whiteley). This spatial area had provision for 5,700 dwellings in policy H3 of the draft Local Plan, or 36% of the total housing requirement.
- 4.56. In addition, other parts of the District’s ‘southern parishes’ fall within the PfSH area, so provision at Bishops Waltham, Colden Common, Denmead, Wickham, Swanmore and Waltham Chase is all within the South Hampshire HMA. This totalled a further approximately 2,174 dwellings in the Regulation 18 Plan (including commitments and windfall), or 14% of the total provision. Hence, a total of about 50% of the housing requirement will be provided within the PfSH area (or more when account is taken of windfall potential in smaller rural settlements).
- 4.57. With regard to the ‘cities uplift’, which applies to Southampton, the PPG is clear that *‘this increase in the number of homes to be delivered in urban areas is expected to be met by the cities and urban centres themselves, rather than the surrounding areas, unless it would conflict with national policy and legal*

*obligations....'* (PPG Reference ID: 2a-035-20201216). This message is reinforced in the updated NPPF: *The standard method incorporates an uplift which applies to certain cities and urban centres, as set out in national planning guidance. This uplift should be accommodated within those cities and urban centres themselves except where there are voluntary cross boundary redistribution agreements in place, or where it would conflict with the policies in this Framework.* (NPPF, paragraph 62). There is a voluntary cross-boundary strategy in place, in the form of the PfSH Spatial Position Statement, but this specifically rejects the option of accommodating the Southampton urban uplift within other PfSH authorities.

- 4.58. It is not, therefore, necessary to apportion specific sites or locations to meeting unmet needs. This would involve making assumptions about which sites would meet which authorities' needs and could give the impression that occupancy of the housing provided is somehow restricted to residents from outside the District, which will not be the case. Equally, it is not necessary or desirable to identify which authority's unmet need certain sites are meeting. In fact, with the current level of uncertainty about the scale and location of unmet needs this would not be feasible anyway. Therefore, **provision for unmet needs should continue to be added to the whole-District SM housing figure to arrive at a housing requirement, with sites allocated as necessary in accordance with the Plan's spatial development strategy.**



## **5. Housing Supply**

5.1. There are several sources of housing supply to meet the identified housing requirement, each of which are considered below.

### **Existing Housing Completions and Commitments**

5.2. The Council has delivered a substantial level of housing completions since the start of the plan period (1,517 dwellings in Table H2 of the draft Local Plan). Section 2 above concludes that the Plan period should be put back slightly in order to achieve 15 years from adoption of the Plan (2020-2040). However, once the start of the Plan period is fixed, it is entirely legitimate and normal to count any housing completions since the base-date of the Plan towards the housing requirement. Completions are monitored by Hampshire County Council on a County-wide basis, so the information is accurate and up to date. There is obviously absolute certainty about the delivery of these units.

5.3. With regard to 'commitments', these comprise dwellings with planning permission (full or outline) at the base date and dwellings from existing Local Plan allocations that have not already been taken into account (as completions or planning consents). Table H2 of the draft Local Plan showed that planning consents at the time amounted to 8,560 dwellings and existing Local Plan allocations were 892 dwellings, giving a total of 9,452 dwellings.

5.4. Commitments were obviously a very substantial part (60%) of the housing supply, reflecting the ongoing development of the 3 strategic allocations (West of Waterlooville, North Whiteley and Barton Farm), as well as smaller Local Plan allocations and other permitted sites. Various development interests suggest that the Plan is overly reliant on commitments (and completions) and does not allocate sufficient new sites. Some also question the deliverability of all of these dwellings. However, it is right that existing commitments should be taken into account before assessing the scale of new allocations needed, and existing commitments will be at least as likely to be delivered as new allocations.

5.5. In terms of deliverability of planning consents, these are considered to have a very high prospect of being achieved. Winchester District has a strong housing market and very few planning consents are found to lapse or remain uncompleted. If there is evidence of this they are removed from the schedule of commitments, which is also maintained annually by Hampshire County Council. The NPPF's definition of 'deliverable' includes all small sites with consent and all sites with full/detailed consent, unless there is clear evidence that homes will not be delivered (NPPF Annex 2: Glossary). The Council's 2023 Authorities Monitoring Report indicates that 3,516 dwellings were considered to be 'deliverable' within 5 years on this type of site (half of all existing planning consents).

- 5.6. Of the remaining 3,500 dwellings with consent, some 2,550 are in the 3 strategic allocations, which are expected to continue deliver housing over much of the Local Plan period. Others tend to be on other larger sites or sites that currently have only outline consent, which are all considered deliverable beyond the 5 year period, but within the Plan period.
- 5.7. The Regulation 18 Local Plan expected 892 dwellings to come from outstanding Local Plan allocations carried forward as allocations in the draft Local Plan. The capacity and deliverability of all allocated sites will be reviewed prior to their inclusion in the Regulation 19 Plan and the deliverability of these dwellings will be tested through the Local Plan process, in the same way as the additional Local Plan allocations, discussed below.

### **Windfall Allowance**

- 5.8. Table H2 of the draft Local Plan indicates that an allowance for 1,975 dwellings has been made for windfall development. Some respondents question whether this is justified or point to the [Assessment of Windfall Trends and Potential](#) (Windfall Study 2021) which concludes that a total of 1,725 dwellings would be justified over a 15 year period, rather than 1,975.
- 5.9. Paragraph 6.1.6 of the Windfall Study does conclude that a windfall allowance of 115 dwellings per annum (1,725 over 15 years) is justified as a modest estimate of future windfall. However, this paragraph is clear that this excludes the SDNP area, so Table H2 added an allowance of 250 dwellings for the National Park part of the District, giving the 1,975 total. SDNP officers had agreed that a windfall allowance of 280 would be a reasonable assumption, so the District total should potentially be slightly above 2,000 dwellings. The contribution of dwellings in the SDNP part of the District is being reviewed, as discussed in section 4 above and these figures will be updated as necessary in the Regulation 19 Plan.
- 5.10. The Windfall Study sets out a detailed assessment of development over the period 2012-2019, taking care to identify sites that were allocations or SHELAA sites, so as not to double-count them as windfall. It assesses the sizes of sites coming forward and what type of sites were involved (conversion, commercial, gardens, etc). Some respondents suggest that there could be double-counting, but the Windfall Study clearly shows that this is not the case. It also only applies the windfall allowance to the latter 15 years of the Plan period, so as to avoid double counting sites that already have consent. It concludes that the previous windfall study covering earlier years had significantly under-estimated windfall and that the estimate of 115 dwellings per annum is a modest one, especially compared to actual windfall completions over the study period of over 200 per annum.
- 5.11. Some respondents suggest that some of the assumptions about the type of sites that will come forward may not prove to be correct or that the estimate

should be discounted by 10% or 15%. However, the Windfall Study is a detailed assessment which is considered to provide the '*compelling evidence*' required by the NPPF (paragraph 71), as well as being modest in its assumptions. It takes account of exactly the factors that are suggested by the NPPF: '*...the strategic housing land availability assessment, historic windfall delivery rates and expected future trends...*' (NPPF para 72). Therefore, applying a percentage discount would be unnecessary and arbitrary. In addition, the latest version of the NPPF has removed any requirement for 'buffers'.

- 5.12. Some respondents question the accuracy of the windfall estimates that are attributed to the main settlements in the 'Housing Sources' tables in the Development Allocations Chapters of the draft Plan. It is correct that the Windfall Study does not attribute windfall estimates to most individual settlements, so the figures in these tables are broad estimates. However, they are based on the expected levels of windfall in the relevant spatial areas and the windfall estimates are not critical at the settlement level, as the settlement housing requirements are for 'new sites to be allocated'. It is appropriate to make an allowance for windfall at the District level but it is not critical whether the estimates prove to be exact for each settlement.

### **Additional Local Plan Allocations**

- 5.13. Table H2 of the draft Local Plan showed that additional allocations for some 2,685 dwellings were made in the Plan, in accordance with the Plan's spatial development strategy. This was in addition to the 892 dwellings from existing site allocations that were carried forward, giving a total of 3,577 dwellings.
- 5.14. A significant proportion of the allocations were in the Winchester Town spatial area (about 1,600), several in Council ownership, and there were additionally two 'broad location' type policies (W10 and W11). Some of the dwelling numbers involved were derived from student housing, where a dwelling equivalent was calculated (see also the Student Accommodation Topic Paper). Elsewhere, there was modest expansion / intensification proposed at West of Waterlooville and North Whiteley (in the South Hampshire Urban Areas) and various allocations to the larger settlements in the Market Towns and Rural Area.
- 5.15. Various development interests question the deliverability of some allocations, particularly some of the carried forward sites that are not yet permitted, key brownfield sites, or the allowances made for the 'broad locations'. These responses will be addressed in detail when considering comments on the site-specific allocation policies involved, but it is acknowledged that a reasonable prospect of delivery will need to be demonstrated for all site allocations (new or carried forward).
- 5.16. In general terms, all site promoters confirmed the availability and deliverability of their sites through the Strategic Housing and Employment Land Availability Assessment (SHELAA) process. Since the Regulation 18 Plan was published,

site promoters have been sent Site Delivery Statements asking in detail about any constraints in terms of site ownership, covenants / restrictions, infrastructure requirements, viability, etc. A sample copy is included as Appendix 3 to this document. The information from the Site Delivery Statements has generally confirmed the availability and deliverability of the site allocations and any issues arising have been followed up as necessary to ensure that they can be overcome. Where necessary, adjustments will be made to the site allocation policies or site capacity estimates.

- 5.17. The NPPF expects planning policies to identify *'specific, deliverable sites for five years following the intended date of adoption'* and *'specific, developable sites or broad locations for growth, for the subsequent years 6-10 and, where possible, for years 11-15 of the remaining plan period'* (NPPF, para 69). Because of the high level of existing commitments underway and the priority given to brownfield sites, new greenfield allocations are phased from 2030 onwards, or years 6-15 from adoption (policy H2 and site allocation policies, see section 6 below).
- 5.18. A housing trajectory has been produced, updating the graph on page 231 of the draft Plan (see Appendix 4). The assumptions underlying this take account of the Site Delivery Statements and comments on / changes to specific sites.

## **6. Local Plan Phasing & 5-Year Land Supply**

### **Phasing Policy (H2)**

- 6.1. Paragraphs 9.21 and 9.22 of the draft Local Plan set out the justification for the phasing policy (H2) and how it was intended to operate. Details of any phasing were set out in the site-specific allocations but, in general terms, brownfield sites were not held back (to prioritise brownfield development and because many are either carried forward allocations or will be developed over a longer period) and new greenfield sites were phased to prevent planning permission being granted before 2030.
- 6.2. Many of the responses to policy H2 of the Regulation 18 Local Plan objected on the basis that it was not justified / necessary / effective / consistent with Government policy. They suggest that brownfield sites will not deliver at the levels expected and that new greenfield sites are needed to maintain / increase housing provision, provide a range of sites as required by the NPPF, provide affordable housing, or to maintain an adequate 5-year land supply. Some respondents suggest that the Plan has a 'brownfield first' strategy that will hold back greenfield sites until brownfield sites are completed. Some also question whether the levels of housing in each phase are intended to be a 'stepped trajectory'.
- 6.3. The Authorities Monitoring Report (AMR) shows that housing completions in the District have increased substantially from very low levels of 200-300 dwellings per annum in the early years of the current Local Plan to about 600 per annum 5 years ago and peaking at 1200 in the 2021-22 monitoring year. This increase is due to improved economic conditions and, in particular, the implementation of the strategic and other site allocations in the current Local Plan. These allocations continue to be developed, especially the strategic allocations (West of Waterlooville, North Whiteley and Barton Farm), and will do so for much of the Plan period.
- 6.4. Hence the draft Local Plan's housing trajectory (Table on page 231 of the Plan) expected high completion levels of over 1000 dwellings per annum to be maintained in most years until about 2026/27, then falling to 700-900pa up to 2030/31 and 500-600pa in most years to the end of the Plan period (by which time it has fallen to 200-300pa). The phasing graph on page 231 of the draft Local Plan showed that phasing has some effect in levelling out the trajectory, albeit not large.
- 6.5. Housing that is expected to be completed in the early years of the Plan period is largely already committed, so the high levels of completions in this period are not something which the new Local Plan can influence. These high levels of housing completions are beneficial in terms of meeting the NPPF aim to significantly boost the supply of homes. The number and variety of sites involved also ensures that a variety of sites can come forward, as also required

by the NPPF (NPPF paragraph 60). Affordable housing provision will also peak in this period, generally reflecting overall housing provision, helping to address any backlogs of affordable housing need.

- 6.6. However, the Council would ideally wish to achieve a more even housing trajectory and level of development over the Plan period. The scale of housing provided by the Local Plan is considered to be correct and should not be increased to achieve this (see sections above), as is the development strategy. Given the high level of commitments and existing Local Plan allocations, the only realistic 'lever' available to promote more housing in the later part of the Plan period, so as to level out housing delivery, is to use phasing to hold back new Local Plan allocations. It is right that brownfield development is prioritised, in accordance with Government policy (NPPF paragraph 62 / footnote 27), so any phasing should only apply to new greenfield allocations.
- 6.7. Despite the claims by some respondents of a lack of greenfield sites or choice, a large part of the housing commitments are greenfield sites of various types and sizes, as illustrated by the AMR information on housing commitments and recent brownfield / greenfield development. Some of the larger brownfield sites (e.g. Sir John Moore Barracks and Central Winchester Regeneration) will take several years to bring forward and develop, so could not be developed fully in the Plan period if their development were held back. Therefore, the Regulation 18 Plan sought to hold back new greenfield allocations, reflecting the emphasis of the Plan and Government advice on prioritising brownfield sites.
- 6.8. Phasing new greenfield sites to hold them back until after 2030 also coincides with Government requirements for water companies to reduce nutrient discharges (which is a constraint and cost within Winchester District). From 1st January 2030 any 'overnight' development in the Plan can take account of better permit limits known as the 'technical achievable limits' and therefore reduce the amount of mitigation required by development. All sites that provide 'overnight' development in the Plan are required to demonstrate nutrient neutrality using a nutrient budget calculation. This can be challenging for sites that require a greater amount of nutrient mitigation, depending on their location within a riverine catchment, and can directly affect the amount of affordable housing that can be secured.
- 6.9. It is, therefore, appropriate that priority for the use of available strategic nutrient mitigation is given to sites that are already permitted or allocated, and brownfield development. New greenfield allocations do not need to be released at an earlier stage for land supply reasons and, if they were, may compete with other sites for limited sources of nutrient mitigation. The requirement for nutrient mitigation will reduce after 2030, so a phased strategy can help both ensure that there is a suitable housing trajectory and a reliable supply of mitigation to ensure nutrient neutrality.

- 6.10. Also, it has become evident that the capacity of the Scottish and Southern Electricity Networks (SSEN) electricity grid poses a potential issue. Planning for long-term infrastructure needs is important to ensure that the community is resilient to future challenges and capable of accommodating growth without compromising quality of life. Officers have been working alongside SSEN to understand and assist with their network planning, which is crucial for meeting future demand and ensuring reliable electricity supply. Scottish and Southern Electricity Networks are currently planning significant improvements to the electricity network which will be completed by 2030. To achieve this, SSEN needs to have a clear, long-term view of planned developments to help provide timely infrastructure enhancements and the phasing of new greenfield allocations will help ensure sustainable growth and adequate infrastructure support.
- 6.11. These issues combine to further support the need for a coordinated and phased approach to site allocations. Phasing development ensures that nutrient mitigation can be provided and used most effectively and that infrastructure can be upgraded in a planned, systematic manner, preventing its overloading.
- 6.12. While the Local Plan and NPPF seek to prioritise brownfield sites, the phasing provisions are not a 'brownfield first' strategy, as claimed by some respondents. The phasing provisions do not seek to hold back any specific greenfield site until all or some brownfield sites are developed. It is recognised that brownfield sites will continue to arise and be developed throughout the Plan period. The phasing of greenfield sites is linked to a point in time, not to the progress of brownfield sites.
- 6.13. Some respondents question whether Policy H2 is intended to introduce a 'stepped trajectory', which is a device that can potentially be used to vary housing requirements across different parts of the Plan period. This could have some attractions in terms of formalising a requirement that is based on expected levels of completions. On the other hand, it would set very specific and rigid requirements for many years ahead so could become out of date and make the achievement of a 5-year land supply more difficult.
- 6.14. Therefore, it is concluded that a stepped trajectory would not be appropriate. The Local Plan housing trajectory provides sufficient indication of the levels of development expected at various stages of the Local Plan period, without the complication of specifying multiple rigid housing requirements for each 5-year period. In order to avoid any confusion, **it is recommended that the first part of policy H2, setting out indicative dwelling provision in each phase, should be removed. So as to further aid clarity and avoid the need to cross-reference other policies, the remaining part of the policy should include a list of those site allocations which the policy seeks to hold back.**
- 6.15. The Local Plan housing trajectory has been updated to show the expected delivery of housing, both with and without the phasing provisions (see Appendix

4). This continues to show that policy H2 has a beneficial effect in levelling out housing delivery.

6.16. Some respondents argue that the overall level of housing proposed is too high and will cause problems in demonstrating 5-year land supply, or alternatively that it is too low and more sites are needed to show an adequate supply. Others comment that the level of completions expected is unrealistic given past rates of development. However, recent completion levels show that very high levels can be achieved if there are suitable land allocations, although it is agreed that maintaining such high levels over long periods could be problematic in terms of finding suitable sites, public acceptance and infrastructure delivery. Equally, the ability to demonstrate a 5-year land supply is dependent on adequate land being brought forward, not simply on the overall housing requirement.

### 5-Year Land Supply

6.17. The Council has been able to demonstrate a 5-year supply of housing land consistently since the adoption of the current Local Plan Part 1 (2013). The current Authorities Monitoring Report (2022/23) shows 7.3 years' supply for the period 2023-2028 and 7.6 years for the period 2024-2029 (see extract below). The calculations used to derive the 5-year requirement use the Standard Method figure current at the time (with a 5% buffer) and the supply is based on the NPPF definition of deliverable sites, which does not include new Local Plan allocations. The AMR does not take account of the removal of the 5% buffer requirement from the NPPF (paragraph 77) or the reduction in the Standard Method figure in March 2024 (from 692 dwellings per annum to 676). The 5-year requirement is, therefore, now lower than shown in the AMR, further improving the 5-year land supply position.

5 Year Land Availability		
	2023-2028 District Total	2024-2029 District Total
Requirement (including 5% buffer)	2,854	2,536
Supply	4,152	3,849
<b>Years supply</b>	<b>7.3 years</b>	<b>7.6 years</b>

6.18. The assessment above is based on the current Local Plan housing requirement and the 2023 Standard Method target. A rolling 5-year land supply assessment has also been produced to illustrate how a 5-year supply is expected to be maintained over the new Local Plan period, using the Local Plan housing requirement (attached at Appendix 5). This shows the position using both 'Sedgefield' and 'Liverpool' methods of calculating 5-year supply. Under both methods an adequate supply of housing is expected to be achieved over most of the Plan period. A lower level of supply only occurs in the final years of



the Plan period, as the supply is assumed to fall to zero at the end of the Plan period. In practice the Local Plan will be reviewed and the Plan period extended, so this situation would never arise.

6.19. Planning Practice Guidance advises use of the 'Sedgefield' method, whereby shortfalls / surpluses are added / deducted from the requirement for the coming 5-year period. Using the Sedgefield method results in very high levels of available land supply, as there are surpluses in the early years of the Plan period, which are deducted from the 5-year requirement, increasing the surplus and improving the requirement / supply balance. The assessment based on the 'Liverpool' method of calculating land availability, whereby any shortfall / surplus of provision is used to adjust the requirement remaining over the rest of the Local Plan period, shows more even changes in supply. The assessments both use expected levels of completions year by year, which may include some sites that do not meet the NPPF definition of 'deliverable' within 5 years, as it is not possible to apply the detailed NPPF definition when looking so far ahead.

6.20. The NPPF provides for certain authorities to demonstrate only a 4-year supply in specific circumstances, including those which apply to the Winchester Local Plan (the Plan has reached Regulation 18 stage with a policies map and housing site allocations). However, paragraph 226 of the NPPF is clear that this applies *'for decision making purposes only'*, so this provision is not relevant to testing housing land supply over the Local Plan period. This situation is confirmed by the updated Planning Practice Guidance.

6.21. Assessment of the expected Local Plan trajectory and 5-year land supply situation demonstrate that the Local Plan is expected to secure an adequate housing land supply over the Plan period, regardless of the methodology used.

## Appendix 1 – Portsmouth City Council Letter re Unmet Housing Needs



Portsmouth City Council  
Civic Offices  
Guildhall Square  
Portsmouth  
PO1 2NE

Adrian Fox  
Strategic Planning Manager  
Winchester City Council

*By email only*

11 January 2024

Dear Adrian,

### **Request from Portsmouth City Council to help meet unmet housing need under the Duty to Cooperate**

Portsmouth City Council is currently preparing its draft Local Plan, which it expects to publish for pre-submission consultation in May 2024, in accordance with Regulation 19 of the Town and Country Planning (Local Planning) (England) Regulations 2012.

Boosting the supply of homes in the City is an important element of the new Portsmouth Local Plan and is in accordance with national policy. The City Council has carried out a thorough search for new housing sites in the City looking at all possible sources of supply in its Housing and Economic Land Availability Assessment (HELAA). This will be published as a key part of the Core Document Library supporting the Local Plan consultation in May. The HELAA sets out a supply of land to accommodate 13,603 homes in the City for the plan period 2020 to 2040. This in turn provides an annualised supply figure of 680 homes per year.

The housing need for the City using the standard methodology is currently 899 homes per year. Over the plan period this is 17,980 new homes. Further comprehensive information on housing need in Portsmouth is set out in the Housing and Economic Development Needs Assessment (HEDNA), which will also be published as part of our Core Document Library in May.

There is therefore an unmet housing need in the City of 4,377 homes over the plan period, which is 219 homes per year. The adopted Fareham Local Plan makes provision for 800 homes to help meet Portsmouth's identified need. This reduces the total unmet need in the City to 3,577 homes equating to 179 homes on an annualised basis.

The Duty to Cooperate is enshrined in law through Section 33A of the Planning and Compulsory Purchase Act 2004. It is also included within the National Planning Policy Framework and Planning Policy Guidance specifically in terms of planning strategically across local boundaries. Under the Duty to Cooperate, the City Council is formally requesting Winchester City Council to assist in meeting the unmet housing need of

Portsmouth of 3,577 homes. The City Council will also be approaching our other neighbouring local authorities with the same request and I will keep you updated on progress with our negotiations.

I do understand that you will need time to consider this matter. I would appreciate a written response by Friday 09 February. Please do feel free to contact me in the interim if you would like to discuss this further. I also look forward to progressing our Statement of Common Ground, which will address all our strategic cross boundary issues including housing.

Yours sincerely



**Lucy Howard**  
**Head of Planning Policy**





Winchester  
City Council

Lucy Howard  
Head of Planning Policy  
Portsmouth City Council  
Civic Offices  
Guildhall Square  
Portsmouth  
PO1 2NE

Your Ref:

Our ref:

Contact: Adrian Fox

Direct Line: [REDACTED]

Email: [REDACTED]

22 May 2024

Dear Lucy,

### **Request from Portsmouth City Council to help meet unmet housing need under the Duty to Cooperate**

Thank you for hosting a Duty to Cooperate meeting at your Offices on 12 April 2024 which follows on from a letter that you sent to me on the 11 January 2024.

#### **Housing need**

Winchester City Council does fully appreciate that the Portsmouth City Council is subject to a number of physical constraints and the challenges that this brings in terms of meeting your own housing need. This Council recognises and is supportive of the work that Portsmouth City Council has undertaken in terms of a thorough search for new housing sites in terms of undertaking a Housing and Economic Land Availability Assessment and the proactive approach it is taking to meeting its own housing needs.

Your letter indicates that the housing need for Portsmouth City Council over the Local Plan period using the Government's standard methodology is currently 899 homes per year which this equates to 17,980 new homes. The letter further states that you currently have an unmet housing need of 3,577 homes equating to 179 homes on an annualised basis.

Under the Duty to Cooperate Portsmouth City Council is approaching a number of Local Planning Authorities, including Winchester City Council, to assist with meeting this unmet housing need.

As the above indicates we are fully aware that under the duty-to-cooperate we are required to consider requests for unmet housing need from neighbouring areas. We are having Statement of Common Ground discussions with other neighbouring Local Planning Authorities. At least one other Local Planning Authority (Havant), are in a similar position to Portsmouth City Council in terms of not being able to meet the Government's standard method.

#### **Brownfield land**

Officers from Portsmouth City Council will be aware that the Government requires Local Planning Authorities to prioritise the use of brownfield land and there are various funding streams available to Local Planning Authorities to help unlock brownfield sites (e.g. the Brownfield Release Funding). On the 13 February 2024 the Government issued a Press Release and made it very clear that as part of its long-term plan for housing, every council in England will be told that they will need to prioritise brownfield developments and instructed to be less bureaucratic and more flexible in applying policies that halt housebuilding on brownfield land. Whilst this particular issue is not specifically referred to in your letter, we trust that Portsmouth

City Council are doing everything within their power to prioritise and bring forward brownfield land to help meet the Government's standard methodology.

### **PfSH Spatial Position Statement**

Winchester City Council and Portsmouth City Council are both a member of the Partnership for South Hampshire (PfSH). At a meeting of the PfSH Joint Committee on 6<sup>th</sup> December 2023 a Spatial Position Statement (SPS) was agreed. You will be aware from your work on PfSH Planning Officers Group, that the SPS includes a number of Broad Areas of Search which will help to progress a reduction in the shortfall of housing need in the PfSH area. The Broad Areas Search for Growth that have been included in the SPS include:

- 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)

It is important to note that the SPS cannot allocate land or determine the quantum of development within the Broad Areas of Search for Growth, as these matters will be determined through individual Local Plans. The SPS indicates that these Broad Areas of Search for Growth have the potential to deliver a combined total of approximately 9,700 homes. This would make a significant contribution to the shortfall in housing provision in South Hampshire including assisting with Portsmouth's unmet housing need.

### **Winchester City Council's Regulation 18 Local Plan**

Winchester City Council is committed to meet its own growth needs. I am sure that you are aware, that in addition to work that has been undertaken on PfSH, Winchester City Council's Regulation 18 Local Plan included a 'buffer' of 1,450 dwellings to meet any unmet housing need/changes to the Government's standard methodology. Officers are currently reviewing all of the representations that were submitted on the Regulation 18 Local Plan and contacting the various landowners to ask them to complete a Site Deliverability Assessment. Currently this workstream is still ongoing but we are able to confirm that at an Officer level, the intention is to still provide for an unmet housing need allowance in the Regulation 19 Local Plan when it is published for public consultation in Autumn 2024. However, at this stage of the process, Officers are unable to confirm exactly what level this unmet housing need allowance will be in the Regulation 19 Local Plan. This due to the fact that this work is ongoing and the assumptions that Officers are working on are currently in the process of being tested by Hampshire County Council Trading Arm as part of the Strategic Transport Assessment.

Given the approach being taken by Winchester City Council outlined above, combined with the fact that PfSH have very recently agreed a Spatial Position

Statement to meet a housing shortfall in the South Hampshire area, it is considered that this is the best approach to assessing and supporting the any unmet housing need arising from Portsmouth City Council's Regulation 19 Local Plan.

This Council welcomes the continued co-operation and engagement between our respective Local Planning Authorities on this and other cross county strategic planning matters including with progressing work by Officer's to agree the wording in a Statement of Common Ground.

Your sincerely



Adrian Fox  
Strategic Planning Manager

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## **Appendix 2 – Havant Borough Council Letter re Unmet Housing Needs and Winchester City Council Response**

**Havant**  
BOROUGH COUNCIL

Public Service Plaza  
Civic Centre Road  
Havant  
Hampshire PO9 2AX

T 023 9244 6019

[www.havant.gov.uk](http://www.havant.gov.uk)

Dawn Adey  
Strategic Director of Place  
Winchester City Council

Enquiries to:

Direct line:

Email:

Date:

5<sup>th</sup> March 2024

By email only:

Dear Dawn,

### **HAVANT BOROUGH'S EMERGING LOCAL PLAN – DUTY TO COOPERATE**

Many thanks to your officers who met with my colleagues on 2 November 2023 to discuss our respective local plans.

The purpose of this letter is to formally update you on the progress of Havant Borough's Local Plan, and its housing need and supply position. This follows the approval of the Partnership for South Hampshire (PfSH) Spatial Position Statement (SPS) at Joint Committee on 6 December 2023.

As you are aware, Havant Borough Council is currently preparing a new Local Plan. We recently published an updated Local Development Scheme (LDS) which indicates that we will be publishing a draft (Regulation 18) Local Plan in Quarter 4 of 2024.

The LDS can be viewed here:

<https://www.havant.gov.uk/planning-services/planning-policy/local-plan/local-development-scheme-lds>.

Havant Borough Council is a pro-development local authority with an ambitious regeneration agenda.

We are keen to deliver this alongside other objectives such as delivering more affordable housing for our communities, and addressing international issues such as climate change. Havant Borough values partnership working through PfSH which allows us to work positively and proactively on cross boundary issues, including the sufficient provision of housing and employment across the sub-region. The PfSH SPS confirms the Council's commitment to delivering sustainable development in the most sustainable locations, and meeting housing need where possible.

As with most urban local planning authorities in the Southeast, one of the biggest challenges for the new Local Plan will be to meet Havant's own development needs. The Inspectors' Interim Findings<sup>1</sup> in respect of the previous Local Plan acknowledged that Havant may be an authority that cannot sustainably meet its housing needs in accordance with paragraph 11 b)

<sup>1</sup> <https://www.havant.gov.uk/media/8718>



the National Planning Policy Framework (NPPF) (see paragraph 52). Nevertheless, the Council's starting point is that no stone will be left unturned in order to meet its own need.

Whilst Havant's evidence base on housing supply is emerging, the attached plan from the Council's draft Constraints Study illustrates the very constrained supply of land in Havant Borough. The least constrained areas shown are already identified for development, notably that of the Dunsbury Park tax site which is part of the Solent Freeport, and Havant Thicket Reservoir which serves a sub-regional function, stretching far beyond Havant Borough's boundaries.

### **Housing Need and Supply**

The NPPF makes clear that in order to significantly boost housing supply, the standard method is an advisory starting-point for establishing a housing requirement for an area. Applying a housing need figure of 516 dwellings<sup>2</sup>, there is a need for 10,320 dwellings in Havant Borough over a Local Plan period to 2043 (see table below).

The Council has undertaken a comprehensive and robust assessment of the following sources of supply to assess how far it is able to meet its own housing need:

- Outstanding planning permissions as of 1 April 2023;
- Adopted Local Plan allocations without planning permission;
- Potential housing sites<sup>3</sup>; and
- Windfall development<sup>4</sup>.

Our work on the previous Local Plan and the Inspectors' interim findings report clearly signal a need for robust evidence and including that sites should meet the NPPF definition of 'developable'. For this reason, it will not be possible to rely on any housing delivery from Havant and Waterlooville town centres until evidence of deliverability is more advanced. In any case, development in these locations will be unlikely to be sufficient in scale to close the gap between the Borough's objectively assessed need and identified housing supply. The Council will keep all sources of housing supply up to date and robust in order to demonstrably ensure that every effort is made to address housing need within the Borough's boundary.

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<sup>2</sup> The standard method calculation of 516 dwellings per annum (dpa) is used from 2022, though the standard method need calculation for 2024 is 512 dwellings per annum prior to the publication of the 2023 affordability ratio which is due to be published in March 2024. The former is used as a worst case scenario.

<sup>3</sup> Identified by Table 1 of the Council's [Housing Delivery Position Statement](#)

<sup>4</sup> The Council's evidence on windfall development will be updated to inform the new Local Plan.

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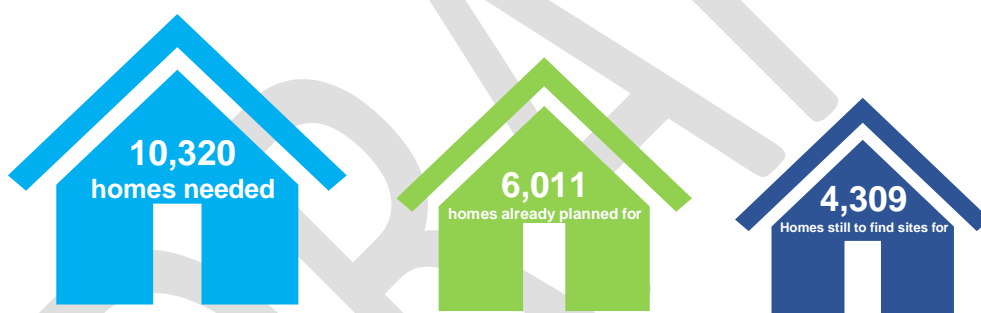
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<sup>3</sup> Identified by Table 1 of the Council's [Housing Delivery Position Statement](#)

<sup>4</sup> The Council's evidence on windfall development will be updated to inform the new Local Plan.

	Identified housing need (2022/23-2042/43)	Net Dwellings Completed or Committed
	<b>10,320</b>	
Completions 2022-23		495
Outstanding planning permissions at 1/4/23		1,524
Allocations in Adopted Local Plan without planning permission		606
Potential housing sites		1,524
Potential housing sites where previous Inspectors' raised deliverability concern		700
Windfall Development		1,162
<b>Total</b>		<b>6,011</b>
<b>Remaining objectively assessed housing (unmet need)</b>	<b>4,309</b>	

Against a standard method figure of 10,320 dwellings, the Council is only able to identify a supply of 6,011 dwellings over the plan period. **This results in an unmet housing need figure of 4,309 dwellings.**



of the sites submitted through the consultation in late 2022 are undergoing assessment and may offer the potential to increase supply. We will be continuing to reach out to the development industry and landowners to ascertain whether there are any further sites which could be available for development and be assessed as part of the plan-making process – our Call for Sites has recently been relaunched on our website. However, given the extent of the very constrained supply of land, there will likely be insufficient capacity to meet objectively assessed need within the Plan area.

### Employment Need and Supply

tant's constrained land supply will also mean it is extremely challenging for the Borough to identify sufficient sites to meet employment need. The Council has commissioned an

employment Land Review, building upon the 2021 PfSH Economic, Employment and Commercial Needs Study<sup>5</sup>. This will confirm whether Havant has sufficient employment land to meet its own development needs, or will need to formally request assistance from its neighbours to accommodate any unmet need. We will keep you up to date with the progress of our evidence base on employment land supply.

### **Winchester District Local Plan 2020-2040**

From our recent meeting, we are conscious that Winchester District is due to consult on a Regulation 19 Local Plan during July to September 2024. By this stage it is crucial that cross-boundary matters have been addressed effectively.

Havant Borough's representations to the Regulation 18 Local Plan consultation in November 2022 broadly supported the plan's focus on high quality development, including homes for all. It was also noted that the plan proposes to meet Winchester's housing need in full together with some need from the South Downs National Park.

During our recent meeting we also noted your authority's intention to provide a buffer of about 1,450 dwellings to help contribute towards the PfSH shortfall. However, the Plan indicates that this buffer will also be needed to cater for potential increases to housing need identified by the standard method in Winchester. There would be no housing clearly ringfenced towards unmet need arising across the sub-region. In the absence of a Joint Strategy, we are concerned there is no clear mechanism to address the significant unmet need arising from Havant and the wider sub-region, particularly as you progress towards a Regulation 19 Local Plan.

### **Joint working**

The PfSH Spatial Position Statement (SPS) is of course a useful starting point in demonstrating compliance with the duty to cooperate. However, given the scale of unmet need that exists within the sub-region, it is important that there continue to be constructive and active discussions to effectively address this matter. It is Havant Borough Council's position that relying solely on the PfSH SPS will not demonstrate compliance with the duty to cooperate. As such, ongoing discussions and a bi-lateral statement of common ground will need to be agreed in order to demonstrate that this matter is appropriately addressed by our respective local plans.

Planning Practice Guidance on plan-making<sup>6</sup> sets out that strategic policy-making authorities should cooperate in meeting housing need, using the most appropriate functional geographical area, such as a housing market area (HMA). That being a case, there is a clear functional geography between Winchester's eastern wards and that of Havant for which there is a significant unmet housing need.

We are conscious of the proposed repealing of the duty to cooperate and its proposed replacement with an alignment policy. Whilst the detail of such a test is not yet known, the Government has made clear that cross-boundary working on strategic priorities, including

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<sup>5</sup> [push.gov.uk/wp-content/uploads/2021/05/Economic-Employments-and-Commercial-Needs-including-logistics-Study-Final-Report-March-2021.pdf](https://push.gov.uk/wp-content/uploads/2021/05/Economic-Employments-and-Commercial-Needs-including-logistics-Study-Final-Report-March-2021.pdf)

<sup>6</sup> [Plan-making - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/publications/plan-making) Paragraph: 017 Reference ID: 61-017-20190315 Revision date: 15 03 2019

unmet need will remain. Therefore, the Borough Council's position is we should ensure compliance with the existing legislation up to the point that the process changes.

You will be aware of the work that has been undertaken between our two authorities to address the duty to co-operate in recent years. Moving forwards, we seek to undertake a series of detailed discussions with yourselves as our respective plans progress, in order to ensure that unmet need and other cross-boundary matters are robustly addressed. It is the Council's ambition to agree a statement of common ground prior to any Regulation 19 consultation on either of our plans thereby minimising soundness and legal compliance issues for both plans.

The NPPF indicates that unmet need from neighbouring areas should be taken into account in establishing the amount of housing to be planned for. Havant Borough will require assistance from our neighbouring authorities to provide a meaningful contribution towards its housing need if it is to get anywhere close to meeting its needs in full. I am therefore formally writing to ask whether your authority is able to accommodate any of Havant Borough's unmet housing need?

I would like to request a meeting to discuss how this matter can be resolved, and would be grateful if you could please advise of your availability by return. I look forward to hearing from you on this important issue and would be grateful for a response by **28 March 2024**.

Yours sincerely



Alex Robinson  
Executive Head of Place

cc Adrian Fox

Alex Robinson  
Executive Head of Place  
Havant Borough Council  
Public Service Plaza  
Havant  
PO9 2AX

Your Ref :  
Our Ref :  
Contact : Dawn Adey  
Direct Line : 01962 848 386  
Email: dadey@winchester.gov.uk

25<sup>th</sup> March 2024 Dear

Alex,

**Request from Havant Borough Council to help meet unmet housing need under the Duty to Cooperate**

Thank you for your letter dated 5th March 2024 which has updated us on the progress on Havant Borough's Local Plan and your ambitious regeneration plans.

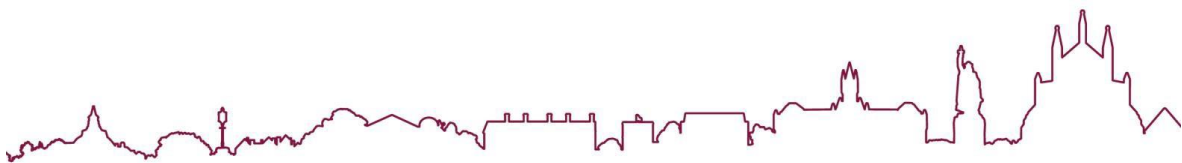
**Housing need**

Winchester City Council fully appreciates the work that Officers from Havant Borough Council have undertaken to meet your own housing need to address the Inspector's Interim Findings in respect of the previous Local Plan. This Council recognises and is supportive of the work that Havant Borough Council has undertaken in terms of a search for new housing and employment sites.

In your letter it indicates that the housing need for Havant over the Local Plan period using the Government's standard methodology is currently 516 homes per year which this equates to 10,320 new homes over the period to 2043. The letter further states that whilst is still ongoing in terms of the sites that were submitted through the consultation in late 2022, you currently have an unmet housing need of 4,309 homes. Your letter also indicates that it is also challenging to identify suitable sites to meet employment need.

We understand under the Duty to Cooperate Havant are approaching a number of Local Planning Authorities, including Winchester City Council, to assist with meeting this unmet housing/employment need. It would be helpful if you could please clarify which Local Planning Authorities you have approached given that the NPPF refers to neighbouring areas.

As the above indicates, we are aware that under the duty-to-cooperate we are required to consider requests for unmet housing need from neighbouring areas. From our Statement of Common Ground discussions with other neighbouring Local Planning Authorities, we know of at least one other Local Planning Authority that is in a similar position to Havant Borough Council (Portsmouth City Council).



### **Brownfield land**

Officers from Havant Borough Council will be aware that the Government requires Local Planning Authorities to prioritise the use of brownfield land and there are various funding streams available to Local Planning Authorities to help unlock brownfield sites (e.g. the Brownfield Release Funding). On the 13 February 2024 the Government issued a Press Release and made it very clear that as part of its long-term plan for housing, every council in England will be told that they will need to prioritise brownfield developments and instructed to be less bureaucratic and more flexible in applying policies that halt housebuilding on brownfield land. Whilst this particular issue has not been specifically referred to in your letter, we trust that Havant Borough Council are doing everything within their power to prioritise the redevelopment and delivery of brownfield land. This work will need to clearly demonstrate that there is no more capacity available on any these brownfield sites to help meet the Government's standard methodology.

### **PfSH Spatial Position Statement**

Winchester City Council and Havant Borough Council are both a member of the Partnership for South Hampshire (PfSH). At a meeting of the PfSH Joint Committee on 6<sup>th</sup> December 2023 a Spatial Position Statement (SPS) was agreed. You will be aware from your work on PfSH Planning Officers Group, that the SPS includes a number of Broad Areas of Search which will help to progress a reduction in the shortfall of housing need in the PfSH area. The Broad Areas Search for Growth that have been included in the SPS include:

- South-east/east of Eastleigh Town (Eastleigh)
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It is important to note that the SPS cannot allocate land or determine the quantum of development within the Broad Areas of Search for Growth, as these matters will be determined through individual Local Plans. The SPS indicates that these Broad Areas of Search for Growth have the potential to deliver a combined total of approximately 9,700 homes. This would make a significant contribution to the shortfall in housing provision in South Hampshire including assisting with Havant's unmet housing need.

### **Winchester City Council's Regulation 18 Local Plan**

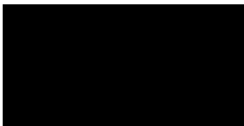
Winchester City Council is committed to meet its own growth needs. I am sure that you are aware, that in addition to work that has been undertaken on PfSH, Winchester City Council's Regulation 18 Local Plan included a 'buffer' of 1,450 dwellings to meet any unmet housing need/changes to the Government's standard methodology. Officers are

currently reviewing all of the representations that were submitted on the Regulation 18 Local Plan and contacting the various landowners to ask them to complete a Site Deliverability Assessment. Currently this workstream is still ongoing but we are able to confirm that at an Officer level, the intention is to still provide for an unmet housing need allowance in the Regulation 19 Local Plan when it is published for public consultation late Summer 2024. However, at this stage of the process, Officers are unable to confirm exactly what level this unmet housing need allowance will be in the Regulation 19 Local Plan. This due to the fact that this work is ongoing and the assumptions that Officers are working on are currently in the process of being tested by Hampshire County Council Trading Arm as part of the Strategic Transport Assessment.

Given the approach being taken by Winchester City Council outlined above, combined with the fact that PfSH have very recently agreed a Spatial Position Statement to meet a housing shortfall in the South Hampshire area, it is considered that this is the best approach to assessing and supporting the any unmet housing need arising from Havant Borough Council's Local Plan.

This Council welcomes the continued co-operation and engagement between our respective Local Planning Authorities on this and other cross county strategic planning matters including with progressing work by Officer's to agree a Statement of Common Ground.

Your sincerely



**Dawn Adey**  
Strategic Director of Place

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### **Appendix 3 – Sample Site Delivery Statement**

<b>Winchester Local Plan Site Delivery Statement</b>
<b>Site name</b> (Site name as given in the 2022 Draft Local Plan)
<b>Site Location</b> (map showing outline of site)
<b>Site Availability</b> (Confirmation of land ownership and availability of each parcel within the proposed allocation, confirmation of any relevant covenants and proposals to resolve them. including any timing issues or dependencies)  <u>Land ownership details for all land parcels within allocation</u>  <u>Any relevant covenants? Yes/No</u> If so, proposals and timing for resolving -  <u>Anticipated timeframe for availability for development and build out rates</u>
<b>Land uses and proposals</b> (Key land uses and proposals, including quantum and type of development and land use budget if appropriate)
<b>Progress with site assessment work</b> (Details of progress made in preparing technical work to address constraints and any relevant matters highlighted in the draft allocations policy in the emerging Local Plan)

## Development Standards

Is it envisaged that the site will be able to comply with emerging local plan expectations regarding –

Water efficiency (draft policy CN4)? Yes/No

Energy requirements (draft policy CN3)? Yes/No

Affordable housing (draft policy H6)? Yes/No

Dwelling size and tenure (draft policy H5)? Yes/No

Self-build and custom build housing (draft policy H5)? Yes/No

Accessible and adaptable homes (draft policy H5)? Yes/No

Specialist and Supported Housing (draft policy H5)? Yes/No

Biodiversity (draft policy NE5)? Yes/No

If no, details as below.

## Extent of community engagement to date

(details with reference to [adopted SCI](#) and expectations in Chapter 5 of the emerging Local Plan)

## Infrastructure needs – actions taken to date to identify and explore with service providers, the identified requirements and envisaged funding

(Including if required details and status of bids for additional third party funding or similar)

Access and transport

Education, social and community infrastructure

Water supply and waste water

Sustainable Drainage System

Other utilities etc

**Masterplanning and phasing**

(The emerging Plan states that this allocation will be supported by a Masterplan)  
Applicants are expected to enter into a PPA with the Council for masterplanning work and pre-application discussions

Proposed aspects to be covered by a masterplan

Envisaged timing of preparation / consideration by Council

Proposals for associated measures / codes

**Envisaged delivery**

Current planning status and envisaged approach to securing planning consent, and then approach to delivery, to include where appropriate infrastructure thresholds, phasing, number of developers etc.

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### Identified Habitats Regulations Issues

Potential [Recreation Disturbance in Southampton and Solent Water SPA](#)? Yes/No  
If yes, proposed mitigation –

Has a budget been prepared to consider the [potential impact of nitrogen \(and, if appropriate, phosphorus\)](#) on relevant sites within the Solent area, including the impact of any significant areas of open space within the proposal? Yes/No

What are the intended actions to address the potential impact of nutrients? Is the solution within your control?

Any other potential Habitats Regulations implications? Yes/No  
If yes, details and envisaged mitigation –

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## Site Viability – data request from Dixon Searle

The Council has commissioned a Local Plan Viability Assessment with a preliminary reporting and the main consultation stage now completed. As the detail of the Local Plan develops following the Regulation 18 consultation, it is appropriate to now revisit the previous viability stakeholder consultation as the next phase of viability assessment begins.

This is particularly relevant noting the passing of time since commencing the viability assessment in Autumn 2021 and as we now follow up on the initial interim report completed in Autumn 2022.

At the time of writing, in January 2023, although house prices are falling back month on month (with many analysts predicting falls in the coming year), the gains of the recent period have not been eroded. In areas such as Winchester district the market retains an inherent relative strength. The medium to long-term expectations for house prices are that they will be relatively stable overall in the coming period (with recovery expected from 2024/2025).

Overall, the Council will need to consider its Local Plan policies not only based on the relatively uncertain short term, but in the context of the much longer timescale of the Local Plan as a whole.

As an extension / refresh of the earlier consultation exercise, we would now welcome hearing from you again please with any new or further information, comments, local market experience and viability matters that you would like to put forward for our review with the Council in moving this assessment on, ready to be published alongside the next consultation. As above, this is with the updated context in mind. In particular it would be helpful to have updated comments in relation to the following key points:-

1. Market activity generally / demand / trends or expectations etc. and particularly in relation to your site and proposals.

2. Residential new build housing values, particular value patterns / trends in relation to your site and proposals?

(Noting specific unit types in relation to any examples and including indications in terms of both £price and £/sq. m. or £/sq. ft.)

3. Whether you would expect there to be a value premium attached to zero carbon homes in accordance with emerging policy proposals?

4. Anticipated site phasing/delivery including rates of sale / trajectory?

5. Please provide details of land ownership and any information on land value expectation (existing use plus a premium)? And clarification of the available/proposed site area?

6. Details of any site constraints to development and/or constraints generally and any associated development cost

(e.g. estimation of costs or cost impact generally if possible).

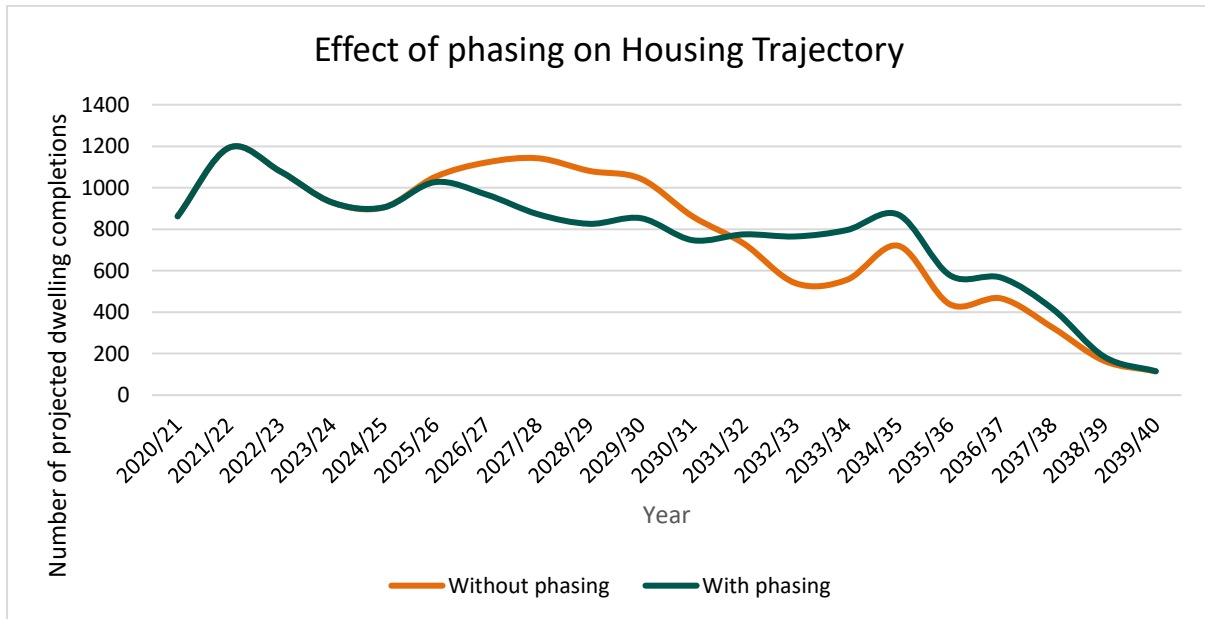
7. Current experience of build costs – and trends / any expectations?

(base / typical costs and notes including any particular local issues – design / materials / regularly experienced abnormalities in the local context, etc.) BCIS Data indicates a range from £1,384 – £1691/m<sup>2</sup> (rebased to Winchester Location Factor, 5yr data sample)

**Overall Viability and Deliverability**

Overall, is the development proposal viable and deliverable? Yes/No

## Appendix 4 – Updated Local Plan Housing Trajectory



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## Appendix 5 – 5 Year Land Supply Over The Local Plan Period

### Sedgefield Method

Year	Projected Annual completions	Cumulative Completions	Annual requirement	Surplus shortfall	cumulative surplus shortfall	5 year requirement	new annual requirement	Available 5 year supply	Years Supply
2020/21	868	868	772	96	96	3764	753	5033	6.7
2021/22	1201	2069	772	429	525	3335	667	5209	7.8
2022/23	1095	3164	772	323	848	3012	602	4992	8.3
2023/24	964	4128	772	192	1040	2820	564	4830	8.6
2024/25	905	5033	772	133	1173	2687	537	4749	8.8
2025/26	1044	6077	772	272	1445	2415	483	4769	9.9
2026/27	984	7061	772	212	1657	2203	441	4518	10.3
2027/28	933	7994	772	161	1818	2042	408	4266	10.4
2028/29	883	8877	772	111	1929	1931	386	4069	10.5
2029/30	925	9802	772	153	2082	1778	356	3979	11.2
2030/31	793	10595	772	21	2103	1757	351	3936	11.2
2031/32	732	11327	772	-40	2063	1797	359	3648	10.2
2032/33	736	12063	772	-36	2027	1833	367	3419	9.3
2033/34	793	12856	772	21	2048	1812	362	3045	8.4
2034/35	882	13738	772	110	2158	1702	340	2453	7.2
2035/36	505	14243	772	-267	1891	1969	394	1703	4.3
2036/37	503	14746	772	-269	1622	2238	448	1198	2.7
2037/38	362	15108	772	-410	1212	2648	530	695	1.3
2038/39	201	15309	772	-571	641	3219	644	333	0.5
2039/40	132	15441	772	-640	1	3859	772	132	0.2

### Liverpool Method

Year	Requirement	Projected Annual completions	Cumulative Completions	Remaining Annual requirement	5 year requirement	Available 5 year supply	Years Supply
2020/21	15441	868	868	772	3860	5033	6.5
2021/22	14573	1201	2069	767	3835	5209	6.8
2022/23	13372	1095	3164	743	3714	4992	6.7
2023/24	12277	964	4128	722	3611	4830	6.7
2024/25	11313	905	5033	707	3535	4749	6.7
2025/26	10408	1044	6077	694	3469	4769	6.9
2026/27	9364	984	7061	669	3344	4518	6.8
2027/28	8380	933	7994	645	3223	4266	6.6
2028/29	7447	883	8877	621	3103	4069	6.6
2029/30	6564	925	9802	597	2984	3979	6.7
2030/31	5639	793	10595	564	2820	3936	7.0
2031/32	4846	732	11327	538	2692	3648	6.8
2032/33	4114	736	12063	514	2571	3419	6.6
2033/34	3378	793	12856	483	2413	3045	6.3
2034/35	2585	882	13738	431	2154	2453	5.7
2035/36	1703	505	14243	341	1703	1703	5.0
2036/37	1198	503	14746	300	1198	1198	4.0
2037/38	695	362	15108	232	695	695	3.0
2038/39	333	201	15309	167	333	333	2.0
2039/40	132	132	15441	132	132	132	1.0