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Calculation of Local Housing Need (LHN)

Q1:

- 2.1 Yes, however, a number of issues arise:
- The SM LHN resets the clock each year and can be relied upon for 2 years from submission of the plan through examination to adoption, looking forward it cannot be reduced by factoring in any provision from previous years
 - The plan period is too short
 - The SM LHN figure must be treated as a minimum, including to provide flexibility in, and resilience to, the five-year supply position which must be maintained throughout the plan period
 - The housing requirement must comply with the Duty to Cooperate (DtC), including taking into account needs that cannot be met in neighbouring areas
 - There is an opportunity to uplift the requirement, from the SM LHN, to address growth aspirations and/or affordability issues
- 2.2 Addressing these matters collectively strongly indicates that the housing requirement is inadequate and should be increased.
- 2.3 Before answering further questions, it's relevant to confirm what the local plan requirement should be at adoption. The SM LHN for Winchester on 1st April 2024 was 676 dpa (ED03b para 3.1.7). Assuming a 16-year plan (2024–2040), the plan baseline requirement is 10,816 homes. WCC proposes an unmet need allowance of 1,900 homes, which increases the overall requirement to 12,716 homes (795 dpa). The housing provision across the plan period is only 10,909 (15,041 – 4,132 – see ED02 Table 4), leaving a shortfall of 1,807 homes.

Q2:

- 2.4 Yes.
- 2.5 First, the scale of unmet housing need in neighbouring areas justifies planning for a higher housing need figure. This approach aligns with paragraphs 11b and 61 of the NPPF, and the PPG. The issue is set out in response to Matter 1 under the DtC. In short, the scale of unmet need across the PfSH is substantial, and significantly increases under the updated SM LHN to a figure of circa 31,000 homes. The PfSH Spatial Position Statement (PSH01 para 6.33) identifies that only five of the PfSH authorities should be able to exceed the 2023 SM LHN figures. Winchester is one of those authorities, and Fareham has already accommodated some of the unmet need from Portsmouth and has been recently adopted, leaving only three others (East Hampshire, Eastleigh and Test Valley). Both Portsmouth and Havant have written to WCC asking it to accommodate their extant unmet need (i.e. not provided for by Fareham), totaling 7,886 homes (see ED02 para 4.26: over the 20 year plan period Portsmouth's current unmet need is 4,377 homes, and Havant's unmet need is 4,309 homes, whilst Fareham accommodates 800 homes as a contribution to unmet needs).

- 2.6 Excluding Havant and Fareham, Winchester is the only adjacent authority to assist Portsmouth, and only Winchester and East Hampshire adjoin Havant (see PSH07 para 3.7 map).
- 2.7 On this basis, Winchester should be accommodating all of the extant unmet need for Portsmouth (3,577 homes) as well as a significant proportion (50%) of the unmet need from Havant (2,155 homes). This would be an increase to the housing requirement of 5,731 homes, significantly greater than the 1,900 'allowance' made.
- 2.8 There is also the issue of constraints within the South Downs National Park, discussed below, which increases the housing provision to be met within the WCC area.
- 2.9 Secondly, Winchester faces a severe affordability challenge, with one of the highest affordability ratios outside London and well above the Hampshire average. Given the availability of sustainably located greenfield sites with fewer viability challenges, the housing requirement should be increased to improve affordable housing provision.

Q3:

- 2.10 Yes.
- 2.11 The Strategic Housing Market Assessment (SHMA) from July 2024, reveals that median rental prices in the district (as of September 2023) were higher across all types of housing when compared to all other geographies assessed. In addition, critically, the median house price was greater in Winchester than in wider comparable regions. This underscores the necessity for the local plan to be planning for a greater housing requirement, rather than a reduction, to better address supply and demand issues.

The housing requirement

Q1:

Including the SDNPA's contribution to Winchester's housing need is appropriate, but SDNPA suggests the current figure of 350 homes is too high, and it should be reduced to 250 homes (SD08j). This reflects SDNPA 's constrained approach rather than an alternative method (NPPF para. 61), creating unmet need that WCC must address.

- 2.12 Over a 20-year period, this represents a significant shortfall. If SDNPA can accommodate more homes annually, it would align with national guidance, and the need to boost HLS, to treat the SN LHN figure as a minimum starting point, and help address affordability challenges across both WCC and SDNPA areas.

Q2:

- 2.13 If only 250 dwellings are delivered within the SDNP during the Plan period, the resulting shortfall, and unmet need, totals 2,000 homes. This would use up all of the 1,900 home 'allowance' made for the unmet needs of Portsmouth and Havant, meaning that WCC makes no provision for either authority in accordance with the DtC, adding to WCC's absolute failure in this respect.

Q3:

- 2.14 Including provision for unmet need is justified by the evidence. However the scale of provision is wholly inadequate given the evidence from PfSH, Portsmouth, Havant and the SDNPA. The latter two authorities alone have an extant unmet need of 7,731 homes across the 20-year plan period (see above).
- 2.15 Constraints within the district do not prevent further allocations. The 2023 SHELAA (HA04) identifies a large pool of potential sites, far exceeding requirements. With a total capacity of over 62,000 homes, even one-third of suitable sites could meet district needs while addressing unmet demand from Portsmouth, Havant, and SDNPA.
- 2.16 Bargate Homes, and others have identified sites in sustainable locations, in this case adjacent to the northern edge of Winchester City, where sustainable development could be accommodated.
- 2.17 The evidence is significant and demonstrable of the need and ability to allocate additional sites.

Q4:

- 2.18 It is our understanding that the allowance resulted from a buffer that had arisen in reassessing the capacity of the preferred approach, and that this buffer was then repurposed as an unmet need allowance, at the later Reg 18 stage (ED02 para 4.17).
- 2.19 At no time has there been a process of considering the scale of the unmet need and ability of Winchester District to accommodate that need. It has not been the result of positive or constructive dialogue to identify positive outcomes to the situation, WCC has symptomatically failed to positively reconsider the situation post-requests from both Havant and Portsmouth Councils. It has failed to revisit the IAA to test a higher housing requirement, and failed to revise the SHELAA evidence to even consider whether additional sites could be allocated.

Q5:

- 2.20 Given the SDNPA position (unmet need of 2,000 homes) the reality is that a % provision for Portsmouth and Havant is entirely ineffective – there is no provision.
- 2.21 Further, given that these unmet needs relate to the PfSH area (southern part of WCC), it would be necessary to understand how many homes, and on which sites they are to be delivered, and the implications for the pressure on the rest of the district to meet the Winchester District SM LHN in order to understand whether the DtC has been met, whether the plan is positively prepared and effective and whether the spatial strategy is appropriate. The plan fails in all of these respects.

Q6:

- 2.22 Yes.
- 2.23 The SHMA update (HA01) highlights a significant need for affordable housing in WCC, with demand at 368 dpa for WCC and 411 dpa for the entire district

including the SDNP (see table 3.11 of the SHMA update. This rises to 495 dpa and 558 dpa when affordable home ownership is included.

- 2.24 This need cannot be met under the current housing requirement, which provides for less than 70% of the demand. Given rising affordability issues, increasing households on the register (Hampshire Home Choice Annual Report), reliance on greenfield sites (see HBF matter statement), and other evidence (including 2024 SM LHN figures), WCC should have explored options to boost delivery and better meet housing needs.

Q8:

- 2.25 No.
- 2.26 Table H2: Winchester District Housing Need and Provision, of the plan (SD01), shows that out of a total District Housing Provision (15,465 homes), only 2,875 homes are provided by additional allocations. This represents just over 18% of the provision. Even then, this is focused on one large strategic site (Policy W2: Sir John Moore Barracks – capacity 750 – 1,000 homes).
- 2.27 The current plan was adopted in March 2013, with LPP2 being adopted in 2017, highlighting the issue of relying on the timely delivery of sites, even if they are allocated, that are challenging, such as W2.

Q9:

- 2.28 No. It is necessary to extend the plan period by a further year.

Q10:

- 2.29 The SM LHN expressly includes adjustments to reflect delivery across previous years, obviously covering both undersupply and oversupply. It is forward looking (base-dated).
- 2.30 While the Council does not consider there to be direct link between past completion rates and affordability, this is clearly not the Government's position, the supply of homes being a fundamental priority of current and previous Government (under the 2023 NPPF). WC answers its own question on this, at paragraph 3.9 of ED02: the SM LHN 're-sets the clock', but then seeks to justify a backward looking approach to bring forward past delivery (made under the previous clock) into the current period. This is an entirely flawed approach.
- 2.31 As such, and in accordance with the PPG (ID 2a-008-20241212 – previously 2a-008-20190220), the plan period should commence on submission of the plan i.e. 2024. See para 2.3 above for the consequences of this position.

Q13:

- 2.32 Table H3 of the plan (SD01) should be revised to remove past completions and accurately reflect the correct Plan period of 2024–2041.

The overall supply of housing

Q1:

- 2.33 The plan lacks detail, and as such provides an ineffective mechanism to consider whether needs will be met.
- 2.34 While the graph on page 218 of the plan illustrates the Council's anticipated progression of housing completions, further details are provided in Appendix A of the Housing Topic Paper (January 2025) (ED02). The absence of a detailed trajectory within the Local Plan itself directly contradicts paragraph 75 of the 2023 NPPF.
- 2.35 The housing trajectory (Local Plan p. 218, para. 9.23) shows a downward trend, reflecting WCC's negative approach of adjusting planned delivery to account for past delivery—contrary to the standard method. This is unsound.

With significant unmet need in the PfSH area and increased housing requirements under the revised standard method, the phasing of new greenfield allocations to the second half of the plan period is unjustified. To ensure an upward delivery trend and address South Hampshire's unmet need, additional allocations should be included to promote and maintain higher levels of dwelling completions.

- 2.36 The NPPF paragraph 82d states requires planning policies to be flexible enough to accommodate needs not anticipated in the plan. Equally, '*plans should positively seek opportunities to meet the development needs of their area and be sufficiently flexible to adapt to rapid change*' (NPPF para 11). Phasing will restrict housing delivery, contradicting the NPPF's flexibility requirement. Prioritising previously developed land may further limit the housing pipeline, worsening affordability challenges in the district.
- 2.37 In any event, it is important to understand how the Council anticipates the delivery of individual sites to assess whether they are being brought forward at the appropriate time. This information could be used to monitor housing delivery against the district's requirements and ensure that appropriate action can be taken if sites do not come forward as expected.
- 2.38 To address this, a table should be included within the Local Plan, similar to the one in Appendix A of ED02, to provide greater transparency of anticipated housing delivery against which the position can be monitored. Further the delivery of greenfield allocations should not be artificially held back, they are much needed now.

Q2:

- 2.39 No, the housing trajectory is not realistic or deliverable, because it fails to reflect realistic assumptions about site deliverability. This is covered further under 5YHLS. It is difficult to understand the position, because the AMR presents a different trajectory to the Topic Paper.
- 2.40 Threats to delivery include:
- Over-reliance on previous allocations
 - Over-reliance on brownfield sites, including those that do not have planning permission, e.g. Central Winchester Regeneration Area and Station Approach Regeneration Area (550 homes) and St John Moore Baracks – notably included in the plan trajectory for 900 homes and scheduled to deliver 2020/28/29.

- Over-reliance on allocated sites that do not yet have planning permission (category H sites), without the necessary evidence of progression and/or developer intentions (e.g. allocations W9, CC1, KW1, SW1, KN1 – totaling 340 homes)

Q4:

- 2.41 No. WCC has not looked positively at the evidence, has not adopted an appropriate strategy given the evidence, has not identified an acceptable plan period, has not included any flexibility or resilience in the plan to ensure needs are met (quite the opposite) and has not considered or accounted for clear risks in delivery of allocated sites, which should be reflected in the trajectory in terms of their realistic status as deliverable or developable, rather than seeking to manipulate the trajectory under false assumptions and a false approach to the SM LHN calculation.

Q6:

- 2.42 A stepped trajectory would not be justified, there are sustainable deliverable sites within the district, which could be allocated and released earlier in the plan period. A stepped trajectory would only serve to hold back the addition of much needed housing.

5YHLS

Q1:

- 2.43 No. As addressed elsewhere, the plan period should start at 1st April 2024, enabling reliance on the SM LHN for a period of 2-years, through examination to adoption of the plan, at which time the Local Plan requirement will become the requirement against which the HLS will be measured. The SM LHN resets the clock, no completions in previous years (before 1st April) can be taken into account, i.e. erroneously included to off-set shortfalls against future years.
- 2.44 WCC is not seeking to establish an alternative methodology to derive a local housing need. The SM LHN for Winchester on 1st April 2024 was 676 dpa (ED03b para 3.1.7). For the purposes of this response, we have assumed a 16 year plan period from 2024 – 2040. On this basis the plan baseline requirement is 10,816. Setting aside our response to the DtC, at the current time WCC proposes an unmet need allowance of 1,900 homes across the same plan period. This is not ring-fenced but subsumed into the overall requirement. This increases the overall provision to 12,716 homes (795 dpa).
- 2.45 Once the plan is adopted, therefore, the annual requirement will be 795 dpa.
- 2.46 WCC argues a buffer is not required, but under the 2023 NPPF, a 5% buffer must be added to the requirement for decision-making. Therefore, on adoption of the plan all decisions for residential planning applications will need to consider the land supply against the local plan requirement plus 5% buffer. From 1st July 2026 a 20% buffer will apply for decision making (NPPF 78 b)). Whilst this provision is in the 2024 NPPF and applies for decision-making, it is important that the local plan provision and trajectory/supply takes this into account.

- 2.47 The five-year requirement, from 1st April 2025 (including requirement and supply from monitoring year 2024/25) on adoption of the plan (assuming adoption at the end of the year) will be 5,406 homes, factoring in the 20% buffer. This can be measured against the WCC supply trajectory (ED02 Appendix A 'annual completions' row) as follows:

Year	Base req.	Plus buffer	Supply	Shortfall
2024/25	795	795	722	
2025/26	795	795	864	
2026/27	795	954	917	
2027/28	795	954	911	
2028/29	795	954	976	
2029/30	795	954	892	
	4770	5486	5282	-204

- 2.48 Even on its own evidence WCC will not be able to demonstrate a 5YHLS for decision-making, based on the planned provision, from 1st July 2026, just 6 months after adoption.

Q2:

- 2.49 As noted in the question notes, WCC has failed to provide evidence of those specific sites included in the five-year supply in terms of either their planning status and/or firm progress towards submission of an application and/or their developer delivery intentions. Whilst this is acceptable for small sites and sites with detailed planning permission (where there is a presumption that they are deliverable) this is unacceptable for sites without detailed planning permission.
- 2.50 For allocated sites without planning permission and/or sites with outline planning permission only, clear evidence is required to confirm their deliverability. The type of clear evidence required is set out in the PPG (68-007-20190722). This affects a number of sites in the trajectory under ED02 Appendix A section 8, totaling 304 homes:

Site Ref	Delivery with five-year period base-dated 1 April 2025
W7	50
W8	35
W9	30
SH3	30
BW3	10
NA1	14
CC1	48
D1	48
SW1	17
Denmead	22
Total	304

- 2.51 This reduces the supply to 4,978 homes, equating to is a shortfall of 508 homes.

- 2.52 Once WCC has provided details of the evidence on which it relies, tor&co will comment further on whether sites can be included as deliverable supply. Further, there may be further deletions from sites with full or outline planning permission, for example looking at build out rates.

Q4:

- 2.53 There is no basis for the inclusion of past “over-delivery” when resetting the clock, i.e. using the SM LHN. This approach has failed to be supported at appeal:
- **APP/P0119/W/22/3300241 (2022)** – The Inspector ruled that past over-delivery does not justify reducing future housing needs, as the five-year supply must be met in full.
 - **Tewkesbury Borough Council v. Secretary of State for Housing (2021, High Court Judgment EWHC 2782 (Admin))** – The court confirmed that the NPPF does not allow past over-provision to offset future housing requirements, as housing needs remain ongoing and rolling.