

Winchester District Local Plan Part 1 – Joint Core Strategy

Background Paper – 1 Housing Provision, Distribution and Delivery

Supplement A - Housing Delivery Record 2001-2011

August 2012



Winchester
City Council

Introduction

- 1.1. The NPPF requires a 5-year supply of housing land to be maintained, along with a 5% or 20% 'buffer' to ensure choice and competition in the market for land (NPPF paragraph 47). The Council considers that this requirement relates to the short-term monitoring of housing delivery, not to the setting of the overall Plan housing target, as confirmed by the recent Planning Inspectorate advisory visit (Examination Library document SD15).
- 1.2. Nevertheless, the Council recognises that the question of whether it has 'a persistent record of under delivery of housing' may arise during the Examination and this paper seeks to answer that question. The NPPF does not specify how it expects 'under delivery' to be measured. Therefore, this paper looks over the last 10 years at past levels of completions compared to strategic housing targets and the Council's record of maintaining a 5-year supply of housing land.

Past Completions

- 1.3. One way of considering the Council's performance in relation to land supply is to look back at past completions in relation to strategic requirements. Table 1 below does this for the 10 year period 2001-2011, considering the Hampshire County Structure Plan Review (HCSPR) annual requirement and the subsequent South East Plan (SEP) annual requirement:

Table 1 – Strategic Requirements v Completions 2001-2011

Year	01/02	02/03	03/04	04/05	05/06	06/07	07/08	08/09	09/10	10/11	Total
HCSPR Annual Requirement	486	486	486	486	486	486	486	486	486	486	4860
SE Plan Annual Requirement*	(486)	(486)	(486)	(486)	(486)	612	612	612	612	612	5490
Annual Completions	366	506	603	694	490	496	562	359	286	503	4865

* figures in brackets are from HCSPR as the SE Plan period is 2006-2026.

- 1.4. It can be seen that the HCSPR annual requirement is almost precisely matched by completions over the period 2001-2011 (cumulative annual requirement of 4860 compared to 4865 completions), despite the lower rates of development experienced in the latter part of the period due to the recession. Completions exceeded the annual requirement in 7 of the 10 years.
- 1.5. However, the adoption of the South East Plan, which has an annual requirement over 30% greater than the HCSPR, has caused problems. Its adoption coincided with the time at which the recession was leading

to a reduction in housing demand and output. The situation was made worse by the fact that the South East Plan's requirement was in effect 'backdated', because its base date is 2006.

- 1.6. While there may be those that accuse the Council of a failure to meet the SE Plan requirement, this is of course a 20 year Plan. The increase in housing provision required by the South East Plan's target requires substantial additional housing allocations, which would take time to plan, let alone to deliver completions. Therefore, it was never realistic in Winchester's circumstances to think that housing completions would achieve the 'step-change' sought by the SE Plan from 'day one' (especially when 'day one' was 3 years before the SE Plan's adoption) especially in view of the fact that the Winchester District Local Plan Review was adopted in July 2006 and planned for HCSPR housing requirements.
- 1.7. It was always the Council's intention that the new Local Plan/Core Strategy would make provision to meet the SE Plan's requirements and the Council maintains that it continues to do this. Although there have been delays to the Local Plan/Core Strategy process, which were not always within the Council's control, planning for the three strategic allocations has continued to enable them to be brought forward, as these remain the most sustainable method of planning to meet the bulk of the additional housing requirement.

5-Year Land Supply

- 1.8. The Council has a long record of monitoring housing land supply and availability. Regular formal monitoring started following the publication of PPG3 in 2000, with a series of 'Housing Monitoring Reports' published from 2003 to 2005. Following the requirement for the production of Annual Monitoring Reports in the 2004 Planning & Compulsory Purchase Act, the Council incorporated its housing monitoring into its Annual Monitoring Reports, which have been produced annually since 2005.
- 1.9. The Council has also produced two reports assessing whether there was a need to release any of the 'Local Reserve Sites' which are allocated in the 2006 Winchester District Plan, with these reports being produced in 2007 and 2009 ('Assessment of the Need for Local Reserve Site Release').
- 1.10. The earlier Housing/Annual Monitoring Reports looked at overall housing provision compared to Structure/Local Plan requirements, rather than 5-year land supply. This was because PPG3 applied at the time and did not specify the need to calculate a 5-year land supply. However, they all concluded that available land supply was sufficient to meet, and probably exceed, the established HCSPR housing requirement.

1.11. Following the publication of PPS3 in 2006 there have been regular assessments of 5-year land supply, initially through the 'Assessment of the Need for Local Reserve Site Release' reports and subsequently in the Annual Monitoring Reports. The results are set out in Table 2 below.

Table 2 – Assessments of 5-Year Land Supply

Source Document	Base Date / Period	Source of Housing Requirement	Housing Supply	Surplus (+) / Shortfall (-)	Years Supply / % Provision
Housing / Annual Monitoring Reports 2003 – 2008	Apr 2002 / 2008 to March 2007 / 2013	Hants County Structure Plan Review (HCSPR) / SE Plan	Adequate to meet or exceed HCSPR requirement	NA	NA
Assessment of the Need for Local Reserve Site Release 2007	Apr 2006 to March 2011	2246 (HCSPR)	2543 – 3635 depending on methodology / discounting	+297 - +1389	5.7 – 8.1 yrs (+13% - +62%)
Assessment of the Need for Local Reserve Site Release 2009	Apr 2008 to March 2013	2412 (HCSPR & SE Plan)	3492	+1080	7.2 years (+45%)
	Apr 2009 to March 2014	3060 (SE Plan)	3515	+455	5.7 years (+15%)
Annual Monitoring Report 2009	Apr 2009 to March 2014	3185 (SE Plan)	2293	-886	3.6 years (-28%)
	Apr 2010 to March 2015	3265 (SE Plan)	2368	-897	3.6 years (-27%)
Annual Monitoring Report 2010	Apr 2010 to March 2015	3295 (SE Plan)	2672	-623	4.1 years (-19%)
		2197 ('Option 1')	2672	+475	6.1 years (+22%)
	Apr 2011 to March 2016	3325 (SE Plan)	2557	-769	3.8 years (-23%)
		2201 ('Option 1')	2557	+356	5.8 years (+16%)
Annual	Apr 2011 to	3345 (SE	2106	-1239	3.1 years

Monitoring Report 2011	March 2016	Plan)			(-37%)
	Apr 2012 to March 2017	3475 (SE Plan)	2249	-1226	3.2 years (-35%)
	Apr 2012 to March 2017	2815 (Local Plan Part 1)	3154	+339	5.6 years (+12%)

- 1.12. It can be seen that land supply was more than adequate when measured against the requirements of the Hampshire County Structure Plan Review. This was, of course, the Plan which was in force for most of the 10 year period and on which the housing provisions of the statutory (2006) Local Plan were based. Therefore, as also indicated by Table 1, the Council succeeded in meeting the housing requirements that it had planned for and has no record over the last 10 years of under-delivery against the HCSPR.
- 1.13. However, as the South East Plan came into effect it brought about a substantial increase in the housing requirement, from an annual average of 486 dwellings in the HCSPR to 612 dwellings in the SE Plan (an increase of over 30%). This resulted in a substantial increase in the 5-year requirement from adoption of the SE Plan in 2009. In fact an immediate 'backlog' was created as the SE Plan's base-date was 2006, so its requirements were in effect 'backdated'. This coincided with a fall in housing completions and supply due to the recession, and delays in bringing forward the Local Plan/Core Strategy, which was (and still is) the planned means of increasing supply. The 2006 Local Plan allocated a series of 'Local Reserve Sites' to be released if needed to maintain land supply. These have all now been released (totalling about 400 dwellings) but this has not been adequate on its own to resolve the shortfalls against the SEP requirements.
- 1.14. The Local Plan/Core Strategy has developed its own locally-derived housing target in response to the Government's stated intention to abolish regional plans. Table 2 above (bottom row) shows that, using the Local Plan Part 1 housing requirement and trajectory, there is a slightly lower requirement and a major increase in supply as the strategic allocations start to fall within the 5-year timescale. On this basis a 5-year supply of housing sites is exceeded and the housing trajectories illustrated in Background Paper 1 – Housing Provision, Distribution and Delivery (pages 62-63) show that an adequate land supply is expected to be maintained over the Plan period, in most cases exceeding requirements by at least 20% (the figures in Table 2 above are derived from the 2011 AMR and do not match precisely those in the Background Paper, which have been updated where possible)

Conclusion

- 1.15. Housing completions and land supply have met the requirements applying for the majority of the 10 year period 2001-2011. The increase in housing requirements introduced by the SE Plan, and its 'backdating' to 2006, has coincided with the fall in housing output due to the recession and resulted in shortfalls when assessed against the SE Plan's requirements. The intention is that this will be resolved over the Plan period but, because of the way in which the 5-year land supply is calculated, which cannot take account of 'backloaded' delivery, there is a perception of under-delivery since the adoption of the SE Plan.
- 1.16. The Council's proposed means of addressing this perceived shortfall is to put the Local Plan/Core Strategy in place as soon as possible, to enable the major sites that it proposes to be brought forward. A conclusion that the Plan is unsound, or that a further 20% should be added to the 5-year requirement, will merely hinder the resolution of any perceived problems of land supply. Given the current economic climate and associated depressed demand, the Council considers that these are in any event largely 'theoretical' land supply issues, rather than real shortfalls that are holding back housing delivery.
- 1.17. Accordingly, the Council concludes that it does not have 'a persistent record of under delivery of housing'. There is a short-term issue caused by the combination of the South East Plan's adoption and the recession. The best way to overcome this is to enable the Local Plan Part 1 to be progressed to adoption at the earliest opportunity.