

# Winchester District Local Plan Part 2: Development Management and Site Allocations

## **Background Paper 1 – Housing Requirements and Supply**

Winchester City Council

March 2016



**Winchester**  
City Council

# **Background Paper 1 – Housing Requirements and Supply**

## **Contents:**

### **1. Introduction**

### **2. The ‘Objectively Assessed Need’ for Housing / Role of LPP2**

Conclusion

### **3. Alleged ‘Shortfall’ of Housing / Annual Requirement**

Conclusion

### **4. Updated Evidence / Household Projections / etc**

Household Projections

The PUSH Spatial Strategy

Affordable / Specialist Housing

Need to Review Local Plan / Evidence Base

Conclusion

### **5. NPPF Paragraph 47 / 5 Year Land Supply**

First Sentence – to boost significantly the supply of housing

Bullet Point 1 – objectively assessed need / key sites

Bullet Point 2 – 5 year land supply / buffer

Bullet Point 3 – deliverable sites for years 6-10 and where possible 11-15

Bullet Point 4 – housing trajectory and implementation strategy

Bullet Point 5 – housing density

Conclusion

### **6. Housing Delivery**

Net Completions 1.4.2011 – 31.3.2015

Outstanding Permissions at 31.3.2015

SHLAA Sites Within Settlement Boundary

Windfall Allowance

'Remainder to be Allocated'

Conclusion

## **7. Conclusions**

### **Tables:**

Table 1 – Winchester District Household Projection Changes

Table 2 – PUSH Housing Provision

Table 3 – Affordable Housing Completions 2011-2015

Table 4 – Housing Completions 2011-2015

Table 5 – West of Waterlooville Delivery Trajectory

Table 6 – North Whiteley Delivery Trajectory

Table 7 – Winchester City North Delivery Trajectory

Table 8 – Silver Hill Delivery Trajectory

Table 9 – Police Headquarters Delivery Trajectory

Table 10 – Pitt Manor Delivery Trajectory

### **Appendices:**

Appendix 1 – Rolling 5 Year Land Availability

(1A based on LPP1, 1B based on 2015 AMR)

Appendix 2 – Winchester District Housing Trajectory (LPP1 & 2015 AMR)

Appendix 3 – LPP2 Site Allocations Delivery Update (March 2016)

## **1. Introduction**

- 1.1. This Background Paper has been produced by the Council to accompany the submission of the Local Plan Part 2 (LPP2) to the Secretary of State for examination. This has been produced in response to issues raised by some representations on the 'Publication' (Pre-Submission) Local Plan concerning housing provision. These go beyond individual Plan policies and require a more wide-ranging response.
- 1.2. The purpose of the Paper is to provide this information on submission of the Local Plan so that it can be taken into account by the appointed Inspector at the start of the examination process, as well as by people who responded to the Publication Local Plan. The aim is to assist the Inspector by clarifying the Council's position on the matters covered by the Background Paper, which may in turn help in identifying the key issues for examination. The Paper should also help to simplify and reduce the amount of information that may need to be produced in response to the 'examination issues' that the Inspector subsequently identifies.
- 1.3. The Council recognises that it will be for the Inspector to identify the matters which he/she wishes to examine and to pose various questions to the Council and participants to help explore those matters. The Council does not seek to pre-judge the matters or questions that will be identified by the Inspector, but hopes that the Background Paper will enable its responses to the Inspector's 'examination issues' to be shorter and more focussed on the policies of the Plan.

## **2. The 'Objectively Assessed Need' for Housing / Role of LPP2**

2.1. A number of representations on the Publication Local Plan Part 2 LPP2) suggest that the District housing requirement should be reviewed by LPP2, for various reasons including changes in population projections, alleged under-performance in housing delivery, etc. The Council has approached LPP2 on the basis that it seeks to identify sites to meet the housing requirements set out in Local Plan Part 1 (LPP1), not to review or re-write them:

*'1.3 A main aim of LPP2 is to allocate land to help deliver the development strategy for new housing, economic growth and diversification set out in Policy DS1 of LPP1 for the period to 2031.'* (LPP2, paragraph 1.3, see Examination Library Document OD1)

2.2. This two-part Plan approach is widely adopted and accepted. Whilst the NPPF refers to planning authorities producing 'a Local Plan', a flexible approach is intended and additional development plan documents can be produced where necessary and justified (NPPF, paragraph 153). The '2-part Plan' approach was accepted by the Inspector who examined LPP1 and none of the respondents to the Local Plan Part 2 appear to suggest that this approach is not capable of being sound or legally compliant.

2.3. The relevant statutory regulations (*Town and Country Planning (Local Planning) (England) Regulations 2012*) require that *'the policies contained in a local plan must be consistent with the adopted development plan'* unless the policy is intended to supersede one in the development plan (Regulation 8). Clearly, LPP2 has not been prepared on the basis that it would introduce a new housing requirement to replace the one established in LPP1 (policy CP1) and there is no requirement or expectation that it should do this. LPP2 has always been clear that it provides for the development requirements set in LPP1, with the only policies which it would supersede being the development management policies of the 2006 Winchester District Local Plan Review.

2.4. The District housing requirement is established in the Local Plan Part 1 – Joint Core Strategy. The LPP1 has been statutorily adopted as a development plan document (March 2013), having been examined and found to be sound and legally compliant, including compliance with the NPPF (introduced in March 2012). The Local Plan Inspector identified the 'objectively assessed needs' of the District, with paragraph 53 of the Inspector's Report being particularly relevant:

*‘A total of 12,500 and an average rate of new housing delivery of 625 over the plan period would represent the positive approach to sustainable development required by the NFFP, as it would reflect objectively assessed local needs for affordable housing...’* (LPP1 Inspector’s Report, paragraph 53, see Examination Library Document EBT2)

- 2.5. It is clear that the Local Plan Part 1 Inspector took account of the need for affordable housing, as well as other types of housing, and recommended an adjusted LPP1 housing requirement accordingly. This is consistent with the (later) [\*Satnam v Warrington BC\*](#) High Court case (Feb 2015), where the judge found that the assessment of full, objectively assessed needs for housing in the Warrington Core Strategy had not taken account of the (substantial) need for affordable housing. Although the LPP1 Inspector’s Report pre-dates ‘*Satnam*’, paragraph 53 specifically states that the (increased) total of 12,500 dwellings for the Plan period ‘*would reflect objectively assessed local needs for affordable housing*’ (see above). This is also confirmed at paragraph 58:

*‘All of the above should be sufficient to meet local affordable housing needs within the first 10 years or so of the full plan period, given the scale of existing and projected demand as well as the current backlog (BP2) (June 2012). The latter is of a magnitude that renders it incapable of realistic resolution within 5 years, taking into account an assessment of the likely resources to be available, the capacity of the local house building industry and the ability to sell the associated market housing in the current economic conditions’.* (LPP1 Inspector’s Report, paragraph 58, see Examination Library Document EBT2)

- 2.6. In fact, the above illustrates that the issue at the LPP1 examination was mainly concerned with how soon the affordable housing need could be met, as opposed to whether it could be met at all. While the Inspector increased the overall housing requirement in order to help speed up affordable housing provision, the timing of actual provision is very much dependent on the vitality of the wider housing market, as the majority of provision comes from the affordable housing proportion (40%) required of market housing sites. The provision and delivery of housing generally is discussed further at Section 6 below, with affordable housing considered at Section 4.
- 2.7. The approach to dealing with housing requirements and affordable housing needs continues to be subject to varying approaches by the Courts and local plan Inspectors. Some parties have interpreted the

'Satnam' judgement to imply that affordable housing needs must be met in full by increasing overall housing provision. However, such an approach would be impractical in many areas as it would require huge increases to have any significant impact.

2.8. In [\*Kings Lynn v Elm Park Holdings\*](#) (July 2015) the Council challenged an inspector's granting of permission for 40 dwellings in a village. Much of the case was about the approach to take with regards to vacant and second homes, but the issue of affordable housing was also a key part of the final judgment. The High Court noted that the full objectively assessed need (FOAN) is the product of the Strategic Housing Market Assessment (SHMA) required by paragraph 159 of the NPPF and that this needs to be read alongside the reference in paragraph 47 to meeting '*the full objectively assessed needs for market and affordable housing*'. The SHMA must identify the scale and mix of housing to meet household and population projections, taking account of migration and demographic change, and then address the need for all housing types, including affordable homes.

2.9. Paragraph 35 of the judgment states that the '*Framework makes clear these [affordable housing] needs should be addressed in determining the FOAN, but neither the Framework nor the PPG suggest that they have to be met in full when determining that FOAN. This is no doubt because in practice very often the calculation of unmet affordable housing need will produce a figure which the planning authority has little or no prospect of delivering in practice. That is because the vast majority of delivery will occur as a proportion of open-market schemes and is therefore dependent for its delivery upon market housing being developed. It is no doubt for this reason that the PPG observes at paragraph ID 2a-208-20140306 as follows:*

- i. *"The total affordable housing need should then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, given the probable percentage of affordable housing to be delivered by market housing led developments. An increase in total housing figures included in the local plan should be considered where it could help deliver the required number of affordable homes."*

[\*Kings Lynn v Elm Park Holdings\*](#), July 2015, paragraph 35)

2.10. This more recent judgement is clear that the level of affordable need shown by analysis does not have to be met in full within the assessment of the OAN, as there may be practical or environmental constraints to

doing so. Notwithstanding this, the situation in relation to the Winchester LPP1 is that the OAN was adjusted to reflect affordable housing needs and the Inspector recommended that it should be met in full and set the housing target accordingly. In fact, the issue was more to do with the timing of how soon the affordable need could be met.

- 2.11. The Local Plan Part 1 was itself subject to a legal challenge by Zurich Assurance Ltd, on a number of grounds including the assessment of the housing requirement. The High Court rejected all aspects of the challenge in its decision in *Zurich Assurance Ltd v Winchester City Council and South Downs National Park Authority* (see Examination Library Document EBT3), see Section 3 below for further analysis of the implications of this judgement.
- 2.12. The Local Plan Part 2 allocates sites as necessary to meet the housing requirements established in LPP1. LPP2 does not, and should not, attempt to reassess the amount of housing needed. In [\*Gladman Development Limited v Wokingham Borough Council\*](#) (paragraph 77) the Court rejected a challenge which suggested that the 'Managing Development Delivery Local Plan' (MDD - a 'part 2 plan') should have reassessed housing needs when this was not claimed to be its purpose.

*'The inspector approached the examination on the basis that he was considering that the MDD was dealing with the allocation of sites for the amount of housing proposed in the Core Strategy, that is the figure of at least 13,230 dwellings over the 20 years of the development plan period. He did not determine that that figure represented the objectively assessed need for housing in Wokingham in the development plan period. **That was a lawful approach as the inspector was not required when examining a development plan document dealing with the allocation of sites to consider whether an objective assessment of housing need would disclose a need for additional housing.** The inspector did decide that the MDD identified sufficient supply of housing land in the appropriate locations and gave adequate, intelligible reasons for that conclusion. The MDD was, therefore, lawfully adopted. This application is dismissed.'* ([\*Gladman Development Limited v Wokingham Borough Council\*](#), paragraph 77, bold added)

- 2.13. The judgement is very clear that a 'part 2 plan' Inspector does not need to reconsider the issue of 'objectively assessed need'. This was the case in *Gladman v Wokingham* despite the Inspector recognising that the Core Strategy may well have under-estimated housing need. Whilst the City



Council rejects allegations that LPP1 does not meet objectively assessed needs in full, it is clear that it is not necessary for a 'part 2 plan' to revisit these matters, even if the 'part 1 plan' were considered out of date (see [Gladman v Wokingham](#), paragraph 58).

- 2.14. Other Inspectors examining recent Local Plans in the local area have concluded that it is inappropriate to re-open matters of 'objectively assessed needs' through the 'part 2 plan' process, given the *Gladman v Wokingham* judgement. For example, the following extracts illustrate the approach taken by Inspectors examining 'part 2 plans' for Fareham Borough, Havant Borough and East Hampshire District:

*'9. It is explained in paragraph 1.6 of the Plan that LP2 has been prepared in accordance with the requirements of LP1. Of particular importance are LP1 policies CS1 and CS2 which establish the employment floorspace target and the number of dwellings to be provided between 2006 and 2026. **A number of respondents consider that the Council should have re-assessed the housing and employment land requirements in light of more up-to-date evidence but it is not the role of LP2 to consider strategic matters such as housing and employment needs, which are outside the scope of the submitted Plan.**'* ([Fareham Local Plan Part 2 Development Sites and Policies, Inspector's Report May 2015](#), paragraph 9, bold added)

*'9. The Havant Borough Local Plan (Core Strategy) was adopted in March 2011 and is referred to as the Core Strategy (CS). This Plan, the Local Plan (Allocations) seeks to deliver the vision for growth that is set out in the CS. **It does not seek to reassess any strategic issues, such as overall housing or employment needs and the two documents are intended to be read together to form the Havant Borough Local Plan.*** ([Havant Borough Local Plan \(Allocations\), Inspector's Report](#) July 2014, paragraph 9, bold added)

*'37. ....the general overall quantum and strategy in the JCS are clear. The substantially higher figures proposed in some representations to the Examination (in excess of 12,000 in some cases) **would amount to a different plan which would not accord with the intentions or strategy of the JCS. The amount of housing allowed for in the Allocations Plan is in accordance with the JCS'*** ([East Hampshire Housing and Employment Allocations Local Plan Inspector's Report](#) February 2016, paragraph 37, bold added).

- 2.15. Therefore, even if the housing requirement in LPP1 were out of date (which is not accepted), the *Gladman v Wokingham* case and the approach taken by other local plan Inspectors in adjoining authorities show that it is not necessary or appropriate to reassess housing or other development needs which are established in LPP1.
- 2.16. Even if this well-established approach were not accepted, the arguments made by some respondents in relation to housing requirements do not justify reviewing or increasing the housing requirement. Any review of the housing requirement would need to have regard to a range of factors and have input and consultation from a number of interests and consultees. It will be noted that the LPP1 housing requirement was established following an extensive public involvement process ('Blueprint'), as well as technical advice. The NPPF expects a Strategic Housing Market Assessment (SHMA) of housing need to be produced (NPPF paragraph 159) and the objectors have not done this, so are not in a position to make an informed judgement about the continued validity of the LPP1 objectively assessed need. Given the *Gladman v Wokingham* decision and other evidence above, it is clearly neither necessary nor appropriate to undertake this process for LPP2 and the Council has not sought to do so.
- 2.17. The key matters raised by respondents who suggest the 'objectively assessed need' is out of date are addressed in Section 4 of this Background Paper. Given the Council's position that LPP2 should not and cannot review the LPP1 objectively assessed need, as supported by case law and other Inspectors' conclusions, it does not consider that these matters warrant detailed examination. Section 4 therefore attempts to deal with them as succinctly as possible.
- 2.18. The Council can also confirm that no neighbouring authorities have asked it to provide for their unmet housing requirements under the Duty to Cooperate. The City Council is part of the Partnership for Urban South Hampshire (PUSH), which is a formal Joint Committee. The PUSH authorities are working together to review the South Hampshire Strategy, including reassessing housing needs in the relevant housing market areas and how they should be jointly planned for – see the Duty to Cooperate Statement (Examination Library Document SUB8) and Section 4 below.

### **Conclusion**

- 2.19. The LPP2 does not purport or seek to determine the District housing requirement or 'objectively assessed needs', so must be consistent with

the adopted development plan (including LPP1). The LPP1 housing requirement took account of all housing needs, including affordable housing, has been found to be sound, and was supported through a legal challenge. LPP2 seeks to put in place the policies and site allocations which will ensure that the needs and development strategy identified in LPP1 are delivered and has been developed on this basis. Therefore it is not necessary for the LPP2 Inspector to reassess 'objectively assessed needs' and the extensive evidence that would be needed to allow this to be done is not available. The LPP1 is recently-adopted, up to date, NPPF-compliant and its Inspector envisaged a 2-part Local Plan. This is provided for by the NPPF and has been supported by other Inspectors and case law. **The Inspector does not need to reassess 'objectively assessed needs' and it would be going beyond the intentions and proportionate evidence base of the LPP2 to seek to do so.**

### **3. Alleged 'Shortfall' of Housing / Annual Requirement**

3.1. The legal challenge to LPP1 by Zurich Assurance alleged the Inspector had failed to take proper account of a 'shortfall' of housing from the pre-2011 period, as well as making various other points about housing needs. The *Zurich v Winchester* judgement establishes several important principles in rejecting this claim, which are relevant to some of the representations made on LPP2. Several of these allege that a 'shortfall' has built up since the start of the Local Plan period which needs to be addressed through LPP2, based on the claim that the average annual housing provision of 625 dwellings should be met. However, the LPP1 housing requirement is for 12,500 dwellings over the 20-year Plan period (policy CP1), not for 625 dwellings a year. The Inspector's report refers to '*a total of 12,500 and an average rate of new housing delivery of 625 over the plan period*' (LPP1 Inspector's Report, paragraph 53 – see Examination Library Document EBT2).

3.2. The expected timing of delivery of housing is dealt with in the housing trajectory at Appendix F of LPP1, which clearly shows that housing completions will take time to build up to a peak in the mid Plan period. This is particularly due to the planning strategy of developing three strategic development allocations, at West of Waterlooville, North Whiteley and North Winchester which will take time to build up to a peak level of delivery. Clearly the LPP1 Inspector was well aware of the planning strategy and its implications for housing delivery, this having been a key element of the Plan he was examining. Indeed, he recommended a 'Major Modification' (MM29) to include the housing trajectory, amended to reflect the increased housing level he proposed (12,500 dwellings).

3.3. The *Zurich Assurance v Winchester City Council* judgement is clear that a period of completions which are below the annual average does not amount to a breach of the plan (in that case the South East Plan):

*'40 ....As set out above, the requirement in the South East Plan was for provision of 12,240 new homes in WCC's area by 2026, and the annual rate of 612 new homes was simply stated as the "annual average." It was not itself a required target for WCC year by year.... Accordingly, there would be no breach of the South East Plan requirements in relation to WCC if a period of completions in the early phase of the 2006-2026 period below the 612 p.a. average figure were made up by a later phase of completions in that period above the 612 p.a. figure, provided that on*

*average 612 new homes per year were completed throughout the period. It is inaccurate and inappropriate in the present context to describe the 854 figure relied upon by Mr Cahill as a “shortfall” against the South East Plan requirements.’ (Zurich v Winchester, paragraph 40, see Examination Library Document EBT3)*

- 3.4. The judgement went on to confirm that the LPP1 Inspector had correctly found the Plan to be sound and to dismiss the housing requirement challenge on all grounds:

*‘103 The Inspector found in terms that the Core Strategy was in general conformity with the South East Plan. He clearly had the housing requirement figure in the South East Plan well in mind, because he referred to it in the context of his discussion about the housing requirement figure to be included in the Core Strategy. The Inspector’s Report also makes clear that the Inspector understood that the annual figures which he was comparing in the South East Plan and the draft Core Strategy were averages, not in themselves binding annual requirements (see, in particular, paras. 49, 53 and 56 of the Report, set out above). The housing supply trajectory figures he discussed and accepted as valid had the effect that the Core Strategy would be carried into effect in a way which fully met the housing requirement figure for 2006-2026 in the South East Plan. In these circumstances, the Inspector was plainly entitled to make the finding of general conformity which he did and his Report, read as a whole, explains to the informed reader the basis for that finding in respect of the housing requirement figures. Again, I accept Mr Bedford’s submission that this met the standard for giving reasons set out in Porter (No. 2).*

*104 I therefore reject all aspects of this Ground of challenge, both on the merits and on the adequacy of the reasons given.’ (Zurich v Winchester judgement, paragraphs 103 and 104, see Examination Library Document EBT3)*

- 3.5. A similar approach was taken in the only recent appeal in the District which examined housing land supply issues in detail, relating to a site at [‘Parklands’ Denmead \(Appeal Ref: APP/L1765/A/13/2209444\)](#). The appeal Inspector rejected the appellant’s arguments:

*’24 On the first of the above matters the appellants’ assessment uses the Sedgefield methodology which frontloads shortfall of provision into the next 5 year period. The appellants’ approach is based on a need to*

*provide for 625 houses annually, ie 12,500 houses divided by the plan period. The Council contends that such an approach is at odds with its housing trajectory provided as an appendix to the JCS. This indicates that in the first 4 years of the plan projected completions would be below the figure of 625 houses and would rise fairly substantially thereafter. Unlike the appellant I consider that the Council is entitled to have regard to its housing trajectory in assessing its 5 year housing land supply. It is an updated trajectory provided at the Local Plan Inspector's request and based upon those that were before him at the Local Plan inquiry. Its provision is entirely in accordance with his reference to a delivery rate of 625 dwellings per year on average and to the explanatory text of JCS Policy CP1 which refers to housing delivery not being even over the plan period. This being so I consider that Council's approach using the Liverpool methodology, whereby unmet requirements from previous years are spread over the remaining plan period, is a more accurate assessment than that provided by the appellant. I consider this to be so notwithstanding a preference in some appeal decisions for the Sedgefield methodology on the grounds of it being more closely aligned with the Framework requirement to boost significantly the supply of housing. The approach adopted should relate to the particular circumstances of the case. Nor do I consider the Council's approach need be inconsistent with the JCS seeking to meet affordable housing needs in the first 10 years of the plan. I note finally, that the Council's 2013 annual monitoring report shows a housing provision trajectory with a slightly lower provision of houses in the first 5 years of the plan than that in the trajectory appended to the JCS. However, the 2 trajectories are sufficiently aligned to cause no concern at present.'* (['Parklands' Inspector's report](#), paragraph 24)

- 3.6. It is, therefore, clear that there can be no basis for suggesting that there is any pre-2011 'shortfall' of housing to be taken into account. The objectively assessed need incorporated into LPP1 superseded all previous housing requirements and assessments, effectively, 'resetting the clock' on the issue. It is also clear that the LPP1 Inspector had regard to affordable housing needs in determining the objectively assessed needs ('OAN') figure and that the OAN was increased by the LPP1 Inspector to help speed up the provision of affordable housing (see Section 2 above).

### **Conclusion**

- 3.7. The *Zurich v Winchester* judgement clearly demonstrates that there is no pre-2011 housing 'shortfall' that should have been taken into account in

LPP1, let alone any justification for LPP2 to provide for such an alleged shortfall. It also demonstrates that the LPP1 housing requirement is for 12,500 dwellings over 20 years, not for 625 dwellings to be developed in each year. The housing trajectory at Appendix F of LPP1 was recommended for inclusion by the LPP1 Inspector and shows that a low level of completions was expected in the early Plan period, building to a peak in the mid Plan period and falling off again towards the end. Whilst the economic situation, which is beyond the City Council's control, has meant that actual delivery is running slightly behind the trajectory, this is not to a significant degree. Measures are being introduced at the national and local level to accelerate housing delivery and it is expected that the housing requirement will be met (in fact exceeded) within the Plan period. The planned Local Plan review midway through the period will be able to address any need to update the housing requirement or delivery. **The Inspector does not need to reassess the OAN or housing trajectory for delivering it, established in LPP1, which expects delivery to build up from a low starting level, is being broadly met and can be adjusted as necessary through a future review of the Local Plan.**

#### **4. Updated Evidence / Household Projections / etc**

- 4.1. A number of representations suggest that parts of the evidence base are out of date or that other changes have taken place which warrant re-visiting the 'objectively assessed need' for housing (OAN). As concluded in Section 2 above, even if these allegations were correct it is not for LPP2 to reassess 'OAN'. Recent case law and other local plan Inspectors' Reports make it clear that a 'part-2' Plan does not need to do this, even if the LPP1 OAN were out of date.
- 4.2. Therefore, the allegations about the need to re-visit the OAN do not warrant detailed consideration. Nevertheless, the brief discussion of the various issues below shows that there is no substance in the suggestions that OAN needs to be updated through the LPP2.

##### Household Projections

- 4.3. Household projections are some of the many factors which need to be taken into account in producing the 'objectively assessed need' through the Strategic Housing Market Assessment (SHMA). They are, however, only one factor and by their very nature they are updated by the Office for National Statistics on a regular basis. The fact that a new set of household projections may emerge is, therefore, neither something that is unexpected nor which should trigger a review of the OAN or the Local Plan.
- 4.4. The Planning Practice Guidance (PPG) is clear that, while household projections should provide the starting point estimate of overall housing need (PPG paragraph 015, Reference ID: 2a-015-20140306), these may require adjustment for various reasons including local factors, market signals, and constraints. These other factors are brought into the process through the SHMA, consultation processes and the examination of the Plan itself. Indeed, local plans must test 'reasonable alternatives', so a number of scenarios are often developed and tested and it is unlikely that a housing requirement that was based simply on a single set of ('policy-off') household projections could be sound.
- 4.5. The recent [Inspector's Report into the Test Valley Borough Council Revised Local Plan](#) illustrates that housing requirements are not determined solely by household projections. The discussion of housing provision is at paragraphs 26-42 of the Inspector's Report and paragraphs 40-42 (reproduced below) show that household projections are just one factor to be taken into account in arriving at the 'policy-on' housing



requirement (and that it is not always necessary or possible to meet the full objectively assessed need or to 'gross up' affordable housing needs):

*'40. After the close of the Hearings, the 2012-based household projections were published and were the subject of consultation and comment. These new projections start from a base position some 10-14% below the SHMA figures. The advice in PPG is that, although local needs assessments should be informed by the latest available information, **housing assessments are not rendered out of date by every new projection** – what matters is whether the change is meaningful.*

*41. In this case the new projections show a lower level of need than that assessed in the SHMA – the new projections suggest a need around 10% lower than previously assessed. However the new projections are based on a different set of population estimates and use different headship rates. Supported by a sound evidence base, the RLP is looking to provide 588 d.p.a, which is above the level indicated in the new projections. But **the approach of the RLP is not exclusively based on population data**, as it also factors in employment issues, suppression in household formation and market signals. These matters can be reassessed during the RLP review, and do not necessitate any change to the RLP at present.*

*42. Overall, the Council has demonstrated a clear understanding of the housing needs in the area, as set out in the SHMA. The SHLAA has then made realistic assumptions about availability, suitability and the viability to meet this identified need for housing. The overall housing requirement is therefore credible and justified by robust evidence of local housing needs/demands and population changes. The evidence demonstrates that **the RLP housing requirement will meet the full, objectively assessed needs for market housing and, although there would be a shortfall in affordable housing, this reasonably takes account of a range of local factors including the consequences for the overall sustainability of the approach.**' ([Test Valley Revised Local Plan Inspector's Report](#), paragraphs 40-42, bold added)*

- 4.6. In fact, as in the Test Valley case, the most recent household projections for Winchester show a lower level of household formation than those used to derive the LPP1 housing requirement:

Table 1 – Winchester District Household Projection Changes

<b>Date</b>	<b>WCC Housing Technical Paper 2011</b> - using ONS 2008-based SNPP projections.  Households / Population	<b>ONS Household Projections 2015</b> - using ONS 2012-based household projections  Households / Population
2011	47,894 / 111,281	47,000 / 112,000
2021	52,709 / 118,300	51,000 / 120,000
2031	58,628 / 127,908	56,000 / 128,000
2011-2031 Increase	10,734 / 16,627	9,000 / 16,000

- 4.7. It can be seen that the 2012-based ONS household projections confirm that the 2011 ‘starting point’ for assessing housing needs is correct, at about 47,000 dwellings/112,000 population. The projections of future household and population growth show a slightly lower level of growth than the projections used in deriving the LPP1 housing requirement (‘Housing Technical Paper’ Appendix 1). Based on the Housing Technical Paper and the outcome of the ‘Blueprint’ exercise the Council promoted a housing requirement of 11,000 dwellings in the submitted Local Plan Part 1. The Local Plan Inspector recommended increasing this to 12,500 dwellings to reflect his conclusions on objectively assessed need and this is the figure now included in LPP1.
- 4.8. Therefore, if the LPP1 housing requirement were replaced by the 2012-based ONS household projections, as implied by some respondents, this would result in a reduction of 3,500 dwellings from 12,500 in LPP1 to 9,000 in the 2012-based projections. This is a very significant (28%) reduction, even before account is taken of the expectation that the requirement of 12,500 dwellings will be exceeded (the housing trajectory in the 2015 Annual Monitoring Report expects 13,901 dwellings will be completed between 2011 and 2031 - see Examination Library Document OD14).
- 4.9. Accordingly, it can be seen that applying the updated 2012-based household projections does not have the effect that some respondents suggest, namely of increasing the OAN. In fact, if it were appropriate to

base OAN on household projections alone, the result would be a significant reduction in the OAN.

The PUSH Spatial Strategy

- 4.10. PUSH, the Partnership for Urban South Hampshire, consists of 10 district/unitary authorities, including Winchester City Council, and Hampshire County Council. It has a formal Joint Committee which makes decisions on behalf of the constituent authorities, and works closely with the Solent Local Economic Partnership, which covers the same geographical area. PUSH includes the southern part of the District (generally the area south of the South Downs National Park) and therefore the City Council is an active member of PUSH at both officer and Member level.
- 4.11. The PUSH ‘South Hampshire Strategy’ was developed and adopted in 2012, in anticipation of the revocation of the South East Plan, which originally set out the planning strategy for South Hampshire. The PUSH strategy used updated economic and household projections and seeks to improve the economic performance of the area, with the cities of Southampton and Portsmouth as the focus for growth (the ‘cities first’ strategy). Each authority has a target for housing provision in its area, or the PUSH part of it, with Winchester’s being 6,200 dwellings in the period 2011-2026 ([South Hampshire Strategy 2012](#), policy 11).
- 4.12. Although the 2012 South Hampshire Strategy covers a shorter period than LPP1 and LPP2, the Local Plans achieve the level of development for the PUSH area that is required by the Strategy (and the preceding SE Plan). This can be illustrated by adding the housing targets for the various settlements within the PUSH part of the District, as follows:

Table 2 – PUSH Housing Provision

<b>LPP1 Settlement / Spatial Area</b>	<b>Housing Requirement 2011-2031</b>
South Hampshire Urban Areas (W of Waterlooville & N Whiteley)	6,000
Bishops Waltham	500
Colden Common	250
Denmead	250
Swanmore	250
Waltham Chase	250

Wickham	250
<b>PUSH area total LPP1 provision (2011-2031)</b>	<b>7,750</b>
<b>South Hampshire Strategy Requirement (2011-2026)</b>	<b>6,200</b>

- 4.13. Although the SE Plan and the Local Plan Part 1 cover different periods, it can be seen that the scale of housing provision proposed by the Local Plan in the PUSH part of the District is substantially higher than the South Hampshire Strategy's requirement (for a shorter period). The LPP1 Inspector confirmed that the housing requirement he proposed, and which now forms part of LPP1, was consistent with the South Hampshire Strategy:

*53. ...A revised total of 6,000 new units in the two main site allocations outside Winchester (not 5,500) would also be closer to the implied housing target for the PUSH growth area of the district in the most recent South Hampshire Strategy document (OD28) (October 2012). (LPP1 Inspector's Report, paragraph 53, see Examination Library Document EBT2)*

- 4.14. PUSH has commenced a review of its South Hampshire Strategy to extend the period covered beyond 2031 and update the housing, employment, etc provisions for the sub-region. It is currently expected that a draft revised Strategy will be published in Summer 2016, but this is likely to be subject to consultation and possible ongoing revision before being adopted. Even then, it is not a statutory planning document and it will be for future Local Plan reviews to take it into account in developing and meeting their own objectively assessed needs, having regard to the Duty to Cooperate.
- 4.15. Nevertheless, as part of the Strategy review, a PUSH Strategic Housing Market Assessment (SHMA) has been produced, although this continues to be refined and updated. The published PUSH SHMA (2014) tests a range of housing scenarios, and also divides PUSH into two housing market areas (HMAs) – Southampton to the west and Portsmouth to the east. Winchester is split between the two HMAs, but the total recommended 'OAN' for the whole Winchester part of PUSH is for 3,475 dwellings in the period 2011-2036. This is clearly considerably less than the 7,750 dwellings already planned by LPP1 and LPP2 just for the period 2011-2031 (see Table 2 above).

- 4.16. Accordingly, PUSH's South Hampshire Strategy 2012 is already taken into account in LPP1 and does not result in a need for additional development. Similarly, although minimal weight can yet be given to the emerging South Hampshire Strategy update, the evidence contained in the updated SHMA is that Winchester's 'OAN' is only a fraction of what is already being planned by LPP1 and LPP2. The PUSH Strategy and work on an update does not therefore support suggestions that a higher level of housing provision will be needed.

Affordable / Specialist Housing

- 4.17. Some respondents suggest that the objectively assessed housing need does not fully reflect affordable housing need or specialist housing, such as for the elderly. These respondents usually promote a site which they suggest will help meet the alleged 'shortfall', but site-specific matters are not addressed by this Background Paper. Rather, such issues will be addressed, as necessary, in response to any matters raised by the Inspector.
- 4.18. With regard to whether the 'OAN' addresses the needs of these groups, it starts from household and population projections which include the needs of all households that are expected to need additional dwellings. Affordable housing was clearly a matter that was taken into account in deriving the LPP1 housing requirement, and was given as a specific reason by the LPP1 Inspector for increasing housing provision overall – see Section 2 above. In fact the main reason for increasing the housing requirement was to meet affordable housing needs more quickly, as the evidence showed that they would be met by the original requirement during the Plan period. The Inspector's conclusions are consistent with the '*Satnam*' decision in relation to affordable housing provision, even though this post-dated the LPP1 Inspector's Report.
- 4.19. With regard to specialist housing for older people, the '*Specialist Housing for Older People in Winchester*' report (September 2015), see Examination Library Document EBT17) is clear that this is already included within the assessment of objectively assessed housing needs, as recommended by the LPP1 Inspector:

*8. LPP1 and LPP2 provides the planning framework for the development of all forms of housing, including specialist housing for older people. It is useful to draw out the following observations in relation to the development of specialist housing for older people:*

- *LPP1 and LPP2 appear to be closely aligned to policy in the NPPF. **LPP1 sets out the objective to provide a mix of housing to meet the needs of different groups, including older people.***
- *Importantly, **LPP1 makes provision for sufficient housing development to meet objectively assessed needs as a whole, which includes the need for housing from older groups.** The overall quantum of housing in LPP1 was accepted by the Inspector in the Local Plan Part 1 Examination. LPP2 then identifies and allocates sufficient sites (over and above the 3 strategic allocation sites) to meet Winchester's housing targets;*
- ***There is no explicit requirement in national policy to allocate specific sites for specialist housing for older people.** The advantage of maintaining broad allocations, which do not distinguish between the groups that might occupy the housing, is that it provides flexibility to respond to changing needs and models of development over time. It does not presume what the model for older persons housing should be and indeed this may change over the 20 year plan period....*

(‘Specialist Housing for Older People in Winchester’, September 2015, Conclusions section, paragraph 8, bold reflects original report - see Examination Library Document EBT17)

- 4.20. With regard to the question of whether sufficient housing for older people is being provided, that is not something this Paper is intended to cover in detail. However, over 200 extra care units are currently planned across the 3 strategic allocations (see Section 6 below), the Council's Chesil Street (Winchester scheme), and by private providers.
- 4.21. With regard to the question of whether sufficient affordable housing has/will be provided to meet the identified need, it is not the purpose of this Background Paper to address this matter in detail. It is, however, worth pointing out that, whilst various site promoters may suggest their site can provide affordable housing at or above the normal 40% requirement (LPP1 policy CP3), this would be the case with any LPP2 allocation. Indeed, an allocated site could not be required to provide more than 40% affordable housing, even if this were offered by a promoter, given the policy requirement of 40% (other than for ‘exceptions’ schemes).

- 4.22. Some respondents suggest the affordable housing ‘target’ will not be met, but there is no numerical target set in LPP1 policy for affordable housing provision. The requirement is for 40% affordable housing ‘*unless this would render the proposal economically unviable*’. Therefore, those that suggest that the figure of 519 dwellings per annum mentioned in paragraph 7.19 of LPP1 is a ‘target’ totally misunderstand this paragraph. In fact the Plan is specific that 519 affordable units per annum is what would be needed to meet housing needs within 5 years, but that this is not achievable. This is obvious given that 519 dwellings is 83% of the total average annual housing requirement (625 dwellings on average over the Plan period) and is clearly unachievable in terms of viability or market demand.
- 4.23. This was recognised by the LPP1 Inspector who increased the overall housing provision so as to help meet the affordable housing need within about 10 years. The Inspector referred to this enabling ‘*an annual affordable housing delivery rate of around 250 units to be achieved*’ (LPP1 Inspector’s Report, paragraph 57, see Examination Library Document EBT2). Clearly, like the overall housing annual average, this is not necessarily a rate that will be achieved for every year of the Plan period, as most affordable housing provision will result directly as a proportion of provision on market sites (a point noted in the *Kings Lynn v Elm Park Holdings* decision, see Section 2 above).
- 4.24. In fact, it would never have been realistic to expect this annual average of 40% to be met from ‘day one’ of the LPP1, for several reasons:
- Prior to the adoption of LPP1 in March 2013, the affordable housing requirement (set in the 2006 Winchester District Local Plan Review, policy H5) ranged from 30% to 40% and applied site size thresholds of 5 or 15 dwellings. Even after the adoption of LPP1, many of the developments being completed would have been permitted under the provisions of the earlier Plan, with some of these only recently being completed;
  - The LPP1 policy (CP3) refers to economic viability, reflecting the provisions of the NPPF, so 40% is the maximum proportion of affordable housing that would be achieved in practice from market housing sites;
  - During the period November 2014 to August 2015 the Government imposed a site size threshold of 10 or less units, below which

affordable housing provision or contributions could not be sought. Schemes falling under these site size thresholds made no affordable housing provision in this period, up until the provisions were found by the Courts to be unlawful in August 2015;

- The above factors are being offset to a small extent by the Council's own New Homes Programme, which is developing a programme of 100% affordable housing schemes. The New Build Affordable Housing Capital Programme 2015/16 to 2020/21 totals £58m. The numbers arising from this programme have been modest so far (8 in 2014/15), although completions under the programme are starting to build up. 23 units have been completed in 2016 (e.g. New Queens Head site Winchester – 21 units and Springvale, Swanmore – 2 units), 92 are currently under construction (Chesil Surface Car Park – 52 units, Victoria House – 27 units, Hillier Way – 13 units), and two other sites either have planning consent or a planning application under consideration. In addition the Council works with Registered Provider (RP) partners to deliver 100% affordable housing schemes on rural exception sites and on land owned by RPs.

4.25. This is illustrated in the following information on affordable housing completions, as a proportion of all housing.

Table 3 – Affordable Housing Completions 2011-2015

Year	All Housing Completions	Affordable Housing Completions	Affordable %
2011/12	317	71	22%
2012/13	204	68	33%
2013/14	470	149	32%
2014/15	262	82	31%
<b>Total</b>	<b>1253</b>	<b>370</b>	<b>30%</b>

4.26. The scale of affordable housing varies as a percentage of all annual completions as the affordable element of any given 'market' scheme may not always be delivered in the same monitoring year as the remaining element. Hence, while the 2011/12 year may appear a particularly 'thin'



year for affordable housing provision, in the previous year (2010/11) affordable housing completions were much higher at 142 dwellings. Nevertheless, an overall an average of 30% affordable housing has been delivered since the start of the LPP1 period.

- 4.27. Table 3 relates to physical dwelling completions. In addition, financial contributions are becoming significant as LPP1 policy CP3 takes effect, as these are expected on sites of less than 5 units, to meet part-dwelling requirements, and where on-site provision is not viable (but a contribution is). The 2015 AMR records that £3,350,977 in financial contributions was secured in 2014/15 in lieu of on-site provision, which would facilitate the development of about 25 further affordable units (assuming these are 100% funded by the contributions) to 134 new affordable homes (assuming a subsidy rate of £25,000 per home).
- 4.28. For the reasons noted above, it is unsurprising that the 'full' 40% has not been achieved, especially as many of the completions would have been delivered under the 2006 Local Plan Review's affordable housing policies. Nevertheless, there are clearly many sites remaining to be delivered through LPP1 and LPP2, which will achieve substantial numbers of affordable housing, not least the 3 strategic allocations at West of Waterlooville, Winchester North and North Whiteley (even taking account of the fact that 20% affordable housing provision has been agreed at N Whiteley for viability reasons). Of these, only West of Waterlooville has so far started to deliver affordable housing, and there remains a substantial proportion of this development still to be completed (see Section 6 below). There are also the various LPP2 and Denmead Neighbourhood Plan site allocations, totalling about 1550 dwellings on greenfield sites, all of which are expected to achieve 40% affordable housing provision on-site.
- 4.29. Therefore, it is likely that there will be a continued improvement in the annual average percentage of affordable units achieved, albeit that in practice this is likely to remain below 40% for the reasons mentioned above. If this averaged only say 33% of total completions, the Local Plan Inspector's aim that affordable housing needs would be met in the first 10 years of the Plan period would be achieved. The Inspector considered that an average of 250 affordable dwellings a year would meet existing and future needs in 10 years ( $250 \times 10 \text{ years} = 2500$  affordable units), which would require 7576 total housing completions to achieve (2500 being 33% of 7576). The 2015 Annual Monitoring Report Trajectory (2015 AMR Appendix 6) shows that cumulative completions of 7527 are expected by the end of 2020/21, so the aim of achieving 7576 completions

(2500 affordable units at 33%) would be met early in the 11<sup>th</sup> year of the Plan period (2021/22).

- 4.30. Accordingly, it can be seen that affordable housing provision is being delivered broadly as was expected by the LPP1 Inspector, who increased total housing provision so as to meet affordable housing needs in about 10 years. This assumes a cautious estimate of affordable housing provision, reflecting the fact that rates have so far averaged 30% and are likely to continue to be below the 'full' 40% in LPP1 policy CP3 for various reasons, particularly viability issues on certain sites.

#### Need to Review Local Plan / Evidence Base

- 4.31. Some respondents suggest that LPP1 needs to be updated or that the evidence base which resulted in its 'objectively assessed need' for housing is out of date. This is not accepted, particularly in relation to the key housing evidence, especially the Strategic Housing Market Assessment (SHMA) and the other documents used to derive the OAN.
- 4.32. The SHMA was updated regularly since it was first published in 2007, notably with updates in 2010, 2011 and 2012. Originally the 'need' which had to be met was set out in the South East Plan but, following the Coalition Government's announcement in 2010 of the intention to revoke regional guidance, further evidence was produced of the OAN through the 'Blueprint' exercise and the Housing Technical Paper (2011). Also a ['Review of Employment Prospects, Employment Land and Demographic Projections'](#) was commissioned in 2011 to provide an independent review of the projections used to develop the LPP1 OAN, and this was critical to the consideration of the OAN at the LPP1 examination in 2012. The *'Review of Employment Prospects, etc'* was produced by the same consultancy that produced the SHMA and its various updates (DTZ), so was able to take full account of up to date evidence on the housing market situation.
- 4.33. The LPP1 Inspector reported in early 2013 and recommended the OAN which is now incorporated into LPP1 (12,500 dwellings over 20 years). This recommendation was accepted and LPP1 was adopted in March 2013. The LPP1 OAN is, therefore, based on up to date, post-NPPF evidence and examination and was adopted only 3 years ago. The sections above dispel the various suggestions as to why the LPP1 OAN, or the Plan itself, may need to be urgently reviewed. For example, it is clear that updated household projections indicate a lower need than used

for LPP1, that the PUSH Spatial Strategy (2012) is being followed and that its replacement is not yet available, and that affordable and specialist housing needs have been taken into account and are being met as planned.

- 4.34. LPP1 deals with the issue of when it is expected to need to be reviewed, in Chapter 10 *Infrastructure, Implementation and Monitoring*:

*10.13 At some point the Plan will need to be reviewed, either to roll it forward beyond its current end-date, **to deal with any serious shortfalls or unintended consequences identified through monitoring, or if it becomes inconsistent with national policy. It is expected that a roll-forward of the Plan will be commenced roughly mid-way through the Plan period**, unless previously triggered by monitoring or other substantial external changes. Smaller-scale allocations and adjustments to policy can be made through the preparation and production of Local Plan Part 2 or a Neighbourhood Plan.'*

(LPP1, paragraph 10.13, bold added – see Examination Library Document OD7).

- 4.35. It is clear that there is regular annual monitoring of the Plan through the AMR and the sections above illustrate that this has not indicated that there are any 'serious shortfalls or unintended consequences'. Section 5 and Appendix 1 below show how a 5 year supply of housing land (with buffer) is being achieved and will be maintained over the Plan period. With the 3 strategic allocations now all permitted and underway/starting, LPP2 progressing to adoption, and land availability being maintained, there is no indication at all of any failure of the LPP1 strategy, let alone of such significance as to warrant a review of OAN/LPP1 prior to or instead of LPP2 being adopted. Therefore, the reference to a review being 'commenced roughly mid-way through the Plan period' remains relevant.
- 4.36. It is noted that the Planning Practice Guidance refers to the importance of maintaining up to date plans:

*'How often should a Local Plan be reviewed? To be effective plans need to be kept up-to-date. Policies will age at different rates depending on local circumstances, and the local planning authority should review the relevance of the Local Plan at regular intervals to assess whether some or all of it may need updating. Most Local Plans are likely to require updating in whole or in part at least every five years. Reviews should be proportionate to the issues in hand. Local Plans may be found sound*

*conditional upon a review in whole or in part within five years of the date of adoption...'*

(NPPG paragraph 008 Reference ID: 12-008-20140306)

- 4.37. Whilst the Practice Guidance refers to '*most plans*' being likely to require an update '*at least every five years*', this is a general statement and refers to whole or partial reviews. The LPP2 is, of course, part of 'the plan' and, although monitoring has indicated no failings of the LPP1 strategy, enables LPP1 policies to be refined as necessary. Even if the Practice Guidance were applied only to LPP1, the '5 year' period would arise during 2018 (5 years from adoption of LPP1) and after the adoption of LPP2. It is, of course, also proposed that a '*Gypsy and Traveller Site Allocations DPD*' will be produced and this is proposed for adoption in mid-2018 (2015 Local Development Scheme – see Examination Library Document OD11).
- 4.38. It may be that 2018 proves an appropriate time to start a review of the Local Plan as a whole, but this should be after the various component parts have been put in place. This may also fit with the results of the PUSH South Hampshire Strategy update and would allow a new Plan to be adopted in time to give 15 years before its likely end date of 2036. An earlier review would be likely to result in considerable uncertainty and delays to the plan-production process, requiring further sustainability appraisal, community consultation, assessment of options, etc. This would have significant implications for the delivery of housing and traveller sites, as well as other site allocations and up to date development management policies.
- 4.39. Therefore, the Council considers it best at the present time to keep the situation under review and to focus on getting LPP2 and the Traveller DPD in place. It has not, therefore, made any formal proposals for a review in the Local Development Scheme.

### **Conclusion**

- 4.40. Section 2 above shows that it is not necessary to re-visit 'objectively assessed needs' (OAN) through LPP2, even if the LPP1 OAN were out of date. However, this section confirms that neither the OAN or evidence base is out of date in any event. Household projections are one of many factors to be taken into account and updated projections are produced on a regular basis. The most recent projections show a lower level of household and population growth than those used to derive the LPP1

housing requirement. Similarly, the 2012 South Hampshire Strategy is reflected in LPP1 and its update is not yet available. The update, when agreed, will be a matter to be taken into account in a future review of the Local Plan. Affordable housing provision is tracking the overall housing trajectory and is projected to meet the Inspector's aims (of 2500 affordable units over 10 years), albeit that these are not a specific LPP1 Target. All of this suggests that there is no current need to review either the OAN or LPP1 itself. The 'triggers' for such a review (Chapter 10 of LPP1) have not been met and nor has the recommended period in Planning Practice Guidance. **The Inspector does not need to re-visit the OAN or await a review of LPP1 or key evidence work before LPP2 can be adopted. There is the option to review the Local Plan, but this should be after the current Plan is put in place as a whole, and this should remain the priority in order to achieve housing delivery and up to date policies.**

## **5. NPPF Paragraph 47 / 5 Year Land Supply**

5.1. Some respondents to the Publication Local Plan suggest that it does not satisfy the requirements of NPPF paragraph 47, including the allegation that the Council cannot demonstrate an adequate supply of housing land, or will not be able to maintain this. The Council believes that LPP2 fully satisfies the requirements of NPPF paragraph 47, so far as it is necessary for a 'part 2 Plan' to do so. Paragraph 47 of the NPPF is wide ranging and contains a number of requirements, which are dealt with individually below.

### **5.2. First sentence - to boost significantly the supply of housing**

The first sentence of paragraph 47 expects planning authorities to apply the subsequent bullet points in order to boost the supply of housing. It is, therefore, a general aim which underlies paragraph 47 as a whole, although in the context of local plans, it is particularly pertinent to the first bullet point.

5.3. The LPP1 will '*boost significantly the supply of housing*' from an average level of completions of 486 dwellings per annum over the period 2001-2011 (meeting the requirements of the Hampshire County Structure Plan Review then applying) to an average of 625 dwellings per annum (+29%). The Local Plan Inspector's Report confirms this:

*'53 A total of 12,500 and an average rate of new housing delivery of 625 over the plan period **would represent the positive approach to sustainable development required by the NFFP**, as it would reflect objectively assessed local needs for affordable housing...*

*56 Therefore, a total new dwelling target of 12,500 across the district from 2011 to 2031, with a delivery rate of 625 per year on average, is considered to be realistic, **as well as positive in terms of the economic growth of the district. This is so not only in relation to past delivery rates locally, albeit a material "step change" upwards**, but also the reasonably assessed capacities of the main three strategic sites allocated in the plan and their realistic implementation prospects, including in respect of economic viability. Moreover, it would be generally consistent with the Council's "stronger housing market" scenario considered in Appendix D of the Housing Background Paper (BP1) (June 2012).'* (LPP1 Inspector's Report, paragraphs 53 and 56, bold added, see Examination Library Document EBT2).

5.4. It is neither necessary nor appropriate for the LPP2 Inspector to re-visit the question of whether the LPP1 housing requirement boosts the supply of housing. LPP2 seeks to implement the LPP1 strategy, not to revise it, and LPP2 does not purport or seek to determine the District housing requirement. The *Gladman v Wokingham* judgement is clear that it is not for a 'part 2 plan' to reassess housing requirements, even if there were concerns about this issue (see Sections 2 and 4 above).

5.5. Bullet point 1 – objectively assessed need / key sites

The key requirements of bullet point 1 of paragraph 47 are:

- for planning authorities to meet the '*full objectively assessed needs for market and affordable housing*' (so far as consistent with the Framework);
- and to identify '*key sites*' which are critical to delivery.

5.6. The need to meet the '*full objectively assessed needs for market and affordable housing*' (so far as consistent with the Framework) is a key test which LPP1 had to pass in order to be 'sound'. The Local Plan Inspector specifically recommended increasing the housing requirement to achieve this:

*'A total of 12,500 and an average rate of new housing delivery of 625 over the plan period would represent the positive approach to sustainable development required by the NFFP, as it **would reflect objectively assessed local needs for affordable housing...**'* (LPP1 Inspector's Report, paragraph 53, bold added - see Examination Library Document EBT2).

5.7. The legal challenge by Zurich Assurance Ltd to the adoption of LPP1 was largely concerned with the adequacy of the Plan's housing provisions. The challenge was comprehensively rejected and the *Zurich v Winchester* judgement is clear that the Inspector's conclusions were rational and lawful:

*'97. In my judgment, **the Inspector proceeded in a perfectly rational and lawful way in making his assessment of the evidence in relation to the new housing requirement for 2011-2031**, as set out above. In fact, as explained in his Report, he did take the South East Plan forecasts and evidence base properly into account, as material bearing on his assessment of the modelled forecasts for 2011-2031 presented by WCC*

and objectors. He was not obliged by any methodological logic to go further and make the arithmetical addition proposed by Mr Cahill.

**98. The Inspector was entitled to find that the housing requirement figure in the Core Strategy was sound. He examined whether it was deliverable and in conformity with NPPF guidance and satisfied himself, on a rational and lawful basis, that it was.** He was also entitled to find that it was in general conformity with the South East Plan, since the housing completions trajectory figures which he accepted (Appendix D) allowed for delivery of new housing at a rate that would have fulfilled the requirement for 2006-2026 stated in the South East Plan.' (Zurich v Winchester judgement, paragraphs 97 and 98, bold added - see Examination Library Document EBT3)

- 5.8. As noted above and at Sections 2 and 4, the LPP2 does not need or seek to determine the District housing requirement or re-visit 'objectively assessed needs' (OAN). The LPP1 housing requirement took account of all housing needs, including affordable housing, has been found to be sound, and was supported following a legal challenge. Therefore it would be going beyond the intentions and proportionate evidence base of the LPP2 for the Inspector to seek to reassess the 'OAN'.
- 5.9. With regard to the requirement to identify 'key sites' which are critical to delivery, this is clearly also achieved by the Local Plan Part 1. LPP1 makes 3 'strategic allocations' at North Winchester, West of Waterlooville and North Whiteley. These are primarily housing allocations, providing for almost 8,000 dwellings (in Winchester District) out of the total dwelling requirement of 12,500. The relevant LPP1 policies (WT2, SH2 and SH3) are fully detailed site allocation policies and so entirely satisfy the requirement to identify key sites which are critical to delivery. As with the other elements of the first bullet point of paragraph 47, there is no justification for re-visiting these matters through LPP2 and to do so would conflict with the approach established in *Gladman v Wokingham* and adopted by local plan Inspectors locally.
- 5.10. Bullet point 1 of paragraph 47 is, therefore, fully satisfied by LPP1 and there is no need for LPP2 to do anything other than implement the LPP1 strategy in order to meet the requirements of bullet point 1.
- 5.11. Bullet point 2 – 5 year land supply / buffer

The key requirements of bullet point 2 of paragraph 47 are:



- for planning authorities to identify sites sufficient *‘to provide five years worth of housing against their housing requirements’*;
  - and to have *‘an additional buffer of 5% (moved forward from later in the plan period)’* which should be increased to 20% *‘where there has been a record of persistent under delivery of housing’*.
- 5.12. The Council produced a ‘rolling assessment’ of 5-year land supply for the submitted Local Plan Part 1 as part of its ‘Background Paper 1 – Housing Provision, Distribution and Delivery’. The assessment for the ‘Stronger Market Conditions’ trajectory, which reflects most closely the housing requirement of the adopted LPP1, is reproduced at Appendix 1(A) below (note the total requirement used was 11,000 dwellings reflecting the submitted LPP1). It can be seen that it is only in year 1 of the Plan that it was not possible to achieve at least 5 years of housing supply, with year 2 having sufficient supply to achieve a 5% buffer (equating to 5.25 years supply) and all other years having substantially more than a 20% buffer (equating to 6 years supply).
- 5.13. This was based on the LPP1 ‘Stronger Housing Market’ trajectory which included the projected completions for SHLAA sites and the 3 strategic allocations, along with an estimate for the contribution of windfall and LPP2 sites (150 dwellings per annum from 2016/17 onwards). While the assessment of land supply did not identify every site that was expected to come forward (as some would be allocated through LPP2) it enabled the Local Plan Inspector to be satisfied that a 5-year land supply could be maintained.
- 5.14. Therefore, while LPP1 went a long way towards identifying the specific deliverable sites required by the second bullet of NPPF paragraph 47, the Council did not rely solely on LPP1 to achieve this. It was always intended that LPP2 would assess whether any smaller site allocations would be needed to meet the various spatial targets set in LPP1 and to make any allocations necessary. This was acknowledged in the *Zurich v Winchester* case, where Zurich had argued that LPP1 failed to satisfy bullet point 2. The judgement disagreed and was clear that there is no reason why a 2-part plan should not be used to satisfy bullet point 2:
- ‘72. It is relevant to observe that the Inspector did not think it necessary to make any finding whether a 5% buffer or a 20% buffer would be required under paragraph 47 of the NPPF in WCC’s case, nor did he think it necessary in his Report to review the detail of WCC’s housing supply*

*estimates against the second bullet point of paragraph 47, nor to require that housing supply figures be written into the Core Strategy to make that Strategy, by its own terms, meet the requirements of that bullet point. This is all because **the Inspector correctly understood that WCC was not maintaining a case that the requirements in this bullet point would be met by the terms of the Core Strategy, and appreciated that WCC proposed to satisfy those requirements in subsequent, lower level development plan documents.***

*73. The Inspector saw nothing wrong in this, and nor do I. He did not consider that the absence of such a housing supply policy from the Core Strategy meant that the Core Strategy failed to comply with the policy guidance in paragraph 47 of the NPPF so as to affect the soundness of the Strategy under section 20(5) of the 2004 Act and paragraph 182 of the NPPF. I agree with him. As explained above, paragraph 47 of **the NPPF does not have the effect that the requirements in its second bullet point must be dealt with in a core strategy document dealing with the requirements in its first bullet point, such as the Core Strategy in this case. They can be addressed, as WCC was proposing to address them, in other development plan documents.**' (Zurich v Winchester judgement, paragraphs 72 and 73 bold added, see Examination Library Document EBT3)*

- 5.15. It is clear that LPP2 sets out to meet the specific housing requirements set in LPP1, taking account of the provision already made by LPP1. LPP2 includes various tables setting out how each of the housing requirements set by LPP1 is satisfied, relating to Winchester (paragraph 3.3.1), each of the larger rural settlements (Chapter 4) and the South Hampshire Urban Areas (paragraph 5.6). These tables show in each case the assessment of supply from various sources and the 'remainder to be allocated', if any, through LPP2.
- 5.16. An updated 'rolling assessment' of land supply has been produced in a similar form to that for LPP1 and is also included at Appendix 1(B). This considers the period from April 2015 onwards, using figures from the published Annual Monitoring Report 2015, in particular the trajectory at Appendix 6 of the 2015 AMR. The changes between the LPP1 trajectory (LPP1 Appendix F) and the 2015 AMR trajectory (2015 AMR Appendix 6) are illustrated at Appendix 2 below. It can be seen from Appendix 2 that, whilst the trajectory has dropped back by a year or 2 from that in LPP1, Appendix 1(B) is clear that a 5 year supply of housing land is still maintained and in fact substantially exceeded for the whole remaining

Plan period, by considerably more than a 20% buffer (equating to 6 years supply). The deliverability of each of the various elements of land supply is considered in more detail at Section 6 below, but on the basis of the rolling assessment of land supply (Appendix 1B) the Council can clearly demonstrate that it meets the requirements of the second bullet of NPPF paragraph 47.

- 5.17. The methodology used to derive the rolling assessments at Appendix 1 is the 'Liverpool' method. This subtracts actual/expected completions from the total housing requirement (12,500) and divides the remaining requirement by the number of years left in the Plan period to derive an annual requirement, and hence a 5-year requirement. The alternative 'Sedgefield' method of calculation requires the use of an annual average housing requirement of 625 dwellings in order to calculate whether there is a 'backlog' of housing need, which is then included within the 5 year requirement.
- 5.18. It has been demonstrated at Section 3 above that it is not appropriate to apply an annual average housing requirement of 625 dwellings per annum. To do so would not be consistent with Planning Practice Guidance which refers to the use of housing requirement figures in up-to-date adopted Local Plans:

*'The National Planning Policy Framework sets out that local planning authorities should identify and update annually a supply of specific deliverable sites sufficient to provide five years' worth of housing against their housing requirements. Therefore local planning authorities should have an identified five-year housing supply at all points during the plan period. **Housing requirement figures in up-to-date adopted Local Plans should be used as the starting point for calculating the five year supply. Considerable weight should be given to the housing requirement figures in adopted Local Plans, which have successfully passed through the examination process, unless significant new evidence comes to light. It should be borne in mind that evidence which dates back several years, such as that drawn from revoked regional strategies, may not adequately reflect current needs.**' (PPG paragraph: 030 Reference ID: 3-030-20140306, bold added).*

- 5.19. The LPP1 'housing requirement' is for 12,500 dwellings to be developed from 2011 to 2031 (LPP1 policy CP1), not for 625 dwellings to be developed in each year. While the housing trajectory (LPP1 Appendix F) does not represent a policy requirement, it shows that a 'flat' delivery rate

of 625 dwellings per annum was never envisaged. This reflects the nature of the Local Plan strategy, which relies in large part on the three strategic allocations, and the fact that these will take time to be developed. The LPP1 Inspector was well aware that this was the case when finding LPP1 sound, not least because he recommended the inclusion of the updated trajectory. The Zurich High Court decision and the 'Parklands' Denmead appeal decision (see Section 3 above) also support the rejection of the Sedgefield methodology with its reliance on an annual average housing requirement.

- 5.20. The very recent Inspector's Report on the East Hampshire District Local Plan: Housing and Employment Allocations specifically addresses this point and has clear parallels with the Winchester situation:

*'47. The Council's Five Year Housing Land Supply calculation (1 April 2015) is based on 'Liverpool' methodology and a 5% buffer. These approaches were considered at the JCS Examination. **The reason for adopting the Liverpool methodology was because the strategic sites formed a substantial part of the housing land supply and were expected to deliver over the life of the JCS. That methodology is incorporated in the plan and is apparent in the trajectory set out at Appendix 2 of the JCS. The JCS was adopted less than 2 years ago; the strategic sites still form an important part of the housing strategy. Things have not changed. Therefore, notwithstanding the comments in certain appeal decisions, there is no reason at all to depart from the Liverpool methodology in the calculation of a 5 year supply of housing.** As far as the buffer is concerned, the JCS Inspector was clear that there was no record of persistent under-delivery (footnote 36) and I agree. He reached that conclusion at a time when there was actually a shortfall in the 5 year supply. The Council acted swiftly to rectify that shortfall. The point must therefore be re-stated, and perhaps with some force, that there is no record of persistent under-delivery. A 5% buffer is the right approach.'* ([East Hampshire District Local Plan: Housing and Employment Allocations Inspector's Report](#), paragraph 47, bold added)

- 5.21. With regard to the issue of the 'buffer' required by the second bullet of paragraph 47, the 'rolling assessment' at Appendix 1B shows that this matter is academic given the scale of land availability. The Appendix indicates that land supply in all years substantially exceeds 6 years (equivalent to 5 years + 20% buffer). Notwithstanding this, there is no

*'record of persistent under delivery of housing'*, so there is no justification for requiring a buffer of 20%, even though it will be achieved in practice.

- 5.22. Assessment of whether there is a record of under delivery is a backward-looking exercise looking at the past situation, rather than an assessment of future performance. The 'rolling assessment' of land supply (Appendix 1) and the trajectory (Appendix 2) in any event show that housing delivery will accelerate rapidly as the strategic allocations and LPP2 sites continue to come forward.
- 5.23. As part of its evidence for LPP1, the Council produced a Background Paper on housing land supply and performance (*Background Paper 1, Supplement A - Housing Delivery Record 2001-2011*). This showed that housing completions and land supply met the requirements of the Hampshire County Structure Plan Review, which applied for the majority of the 10 year period 2001-2011. The requirements introduced by the South East Plan were short-lived, with this Plan being adopted in 2009 and effectively abandoned in 2010 (albeit not legally revoked until 2013). In any event, the LPP1 Inspector found that LPP1 was in general conformity with the South East Plan and met its housing requirements.
- 5.24. Accordingly, the Background Paper concluded that the Council did not have *'a persistent record of under delivery of housing'*. The LPP1 Inspector did not specifically address this issue, but it is notable that he did not apply a 20% buffer when considering land supply. The Inspector's Report refers at paragraph 53 to *'the additional 2% or so would allow for a limited buffer of new housing land supply, as recommended in the NPPF (para 47)'*. This reference to 2% is rather confusing but appears to relate to the difference between the South East Plan's average annual figure of 612 dwellings per annum and the Inspector's recommendation of 625, as noted by the Zurich High Court judgement:

*'70. It is fair to say that I found the second sentence of para. 53 of the Inspector's Report, set out above, puzzling when I first read it. I think Mr Bedford is right in his explanation of the "additional 2%" referred to, as being a reference to the increase in the figure proposed by the Inspector for a 20 year period (12,500, averaging 625 units p.a.) compared with that in the South East Plan (12,400, averaging 612 units p.a.)..... When one understands the context of the Inspector's statement, I think it is clear that what he means is that even with the increased housing figure he has chosen, there would still be a good prospect that the rate of housing supply available in WCC's area would allow it to produce further*

*development plan documents in due course which would provide appropriate housing supply coverage to comply with paragraph 47 of the NPPF. As I have explained above, I consider that the Inspector was clearly entitled to come to this conclusion on the evidence before him.’ (Zurich v Winchester judgement, paragraph 70, see Examination Library Document EBT3)*

5.25. Therefore, in so far as the issue of performance against pre-LPP1 housing requirements is concerned, the LPP1 Inspector did not identify any *‘persistent record of under delivery of housing’* and the High Court felt that he was *‘clearly entitled to come to this conclusion on the evidence before him’*.

5.26. With regard to performance since the start of the LPP1 period, it is established in Section 3 above that there is no pre-LPP1 ‘shortfall’ and that the LPP1 requirement is not for the delivery of 625 dwellings in every year of the Plan period. The 2015 Annual Monitoring Report therefore monitors delivery against the LPP1 housing trajectory and includes the following summary of completions and commentary:

Table 4 – Housing Completions 2011-2015

Year	LPP1 Trajectory	Net Completions
2011/12	317	317
2012/13	222	204
2013/14	378	470
2014/15	582	262
<b>Total</b>	<b>1499</b>	<b>1253</b>

*‘It can be seen that cumulative completions since 2011 exceeded the expectations of the Local Plan Part 1 housing trajectory up to 2014, but fell back following a low level of completions in 2014/15. Overall, completions from 2011 to 2015 are 84% of what was expected in the LPP1 trajectory. The LPP1 trajectory was based on a ‘strong housing market’ scenario (see paragraph 56 of LPP1 Inspector’s Report 2013), but Figure 2 above illustrates that the market, both locally and nationally, has not yet recovered to a ‘strong’ position. The modest shortfall between the LPP1 trajectory and actual completions is, therefore, a result of the national economic climate and weak housing market, rather than arising from any lack of available sites in Winchester District. This is illustrated by the*

*various measures which have been introduced at the national level by the Government to stimulate house-building and remove obstacles to development. The sections below on housing supply show the considerable and varied sources of housing that are available and the updated trajectory at Appendix 6 shows how completions are expected to recover. Over the Plan period as a whole the trajectory at Appendix 6 expects the LPP1 target of 12,500 dwellings to be exceeded by over 10%.*' (Annual Monitoring Report 2015, paragraph 6.19, see Examination Library Document OD14)

5.27. It is, therefore, clear that the Council can demonstrate considerably more than a 5-year supply of deliverable housing sites over the whole Plan period. The Council does not have a record of under-delivery of housing, let alone a *'persistent'* one. Any modest under-delivery in the first part of the LPP1 period simply reflects the national situation regarding house-building and will be more than rectified by the housing planned in LPP1 and LPP2 (see the trajectory at Appendix 2). While there is, therefore, no justification for a 20% 'buffer', this issue is academic given the scale of the 'buffer' illustrated by the expected housing trajectory.

5.28. Bullet point 3 – deliverable sites for years 6-10 and where possible 11-15

The key requirements of bullet point 3 of paragraph 47 are to identify a *'supply of specific, developable sites or broad locations for growth, for years 6-10 and, where possible, for years 11-15'*.

5.29. One of the key purposes of LPP2 is to allocate land as necessary to meet the housing requirement set in LPP1, including its distribution to each of the spatial areas/key settlements. As such, LPP1 and LPP2 between them identify *'specific developable sites'* for the vast majority of the housing requirement over the whole Plan period. These are indicated in the tables in LPP2 setting out the key sources of housing supply and the 'remainder to be allocated' for each of the spatial areas/larger settlements (paragraph 3.3.1 relating to Winchester, various paragraphs in Chapter 4 relating to the larger rural settlements, and paragraph 5.6 relating to the South Hampshire Urban Areas).

5.30. These tables show in each case the assessment of supply from various sources, reflecting the headings used in the housing trajectory (LPP1 Appendix F). All of the sources other than 'windfall' relate to *'specific developable sites'*, as follows:

Net completions 1.4.2011 – 31.3.2015 – clearly these relate to specific sites which are developable, as they have been completed. The completions data is independently gathered and monitored by Hampshire County Council. The information is published and covers large and small site completions, and the Council has identified which spatial area / settlement each site falls within.

Outstanding permissions at 31.3.2015 – these are also clearly site-specific as they relate to planning consents which have been granted, but where the development was not completed at 31.3.15. This information is also gathered by Hampshire County Council on a consistent Hampshire-wide basis. It is split between small sites (up to 10 dwellings) and large sites (10 or more dwellings). For large sites there is an assessment undertaken annually by City Council and County Council officers of the implementation of consents, including consultation with site promoters/developers. The results are set out for each large site in the Annual Monitoring Report (AMR Appendix 4, see Examination Library Document OD14). For small site consents, it is assumed that all consents will be implemented within 5 years and a 3% 'non-implementation rate' is applied. This is explained in the AMR (paragraphs 6.26 – 6.27) and Section 6 below, and has been accepted as a reasonable assumption in LPP1 and at planning appeals.

SHLAA sites within settlement boundary – the SHLAA identifies specific sites and these have been reassessed at each update of the SHLAA to ensure that they will be deliverable. The SHLAA sub-divides sites into a number of 5-year periods covering the Local Plan period. Many sites have been removed from the SHLAA where doubts have been expressed about their deliverability, such that those remaining are considered to have a very high prospect of being developed over the Local Plan period. All the sites are specifically identified (rather than being 'broad locations') so it is possible to identify the spatial area / settlement each site falls within.

Windfall allowance – this is the only element of the land supply that is not site-specific, but the windfall allowance applied results from assessments of the likely contribution of windfall sites in each of the larger settlements covered by LPP2. Windfall allowances are only made for Winchester Town and Kings Worthy, totalling an estimated 70 dwellings per annum from 2017/18 onwards (mostly in Winchester Town). No allowance is made prior to 2017/18 to avoid any double-counting of sites that already have planning consent, or for redevelopment of residential gardens. In practice, windfall development can take place across the District within the terms of Local Plan policies and occurs in the large number of settlements



in the District, and through conversion and agricultural dwellings in the countryside. Windfall provision will therefore take place outside Winchester and Kings Worthy, even though it is not included in the projections, and will therefore contribute further towards meeting housing needs.

Remainder to be allocated – where the above sources of housing supply are not sufficient to meet the requirement for the spatial area / settlement concerned, additional sites are allocated. Clearly these allocations are site-specific and are considered developable. The estimated phasing of each LPP2 housing site allocation is detailed at Appendix 7 of the AMR. The deliverability of the site allocations is discussed in more detail at Section 6 and Appendix 3 below.

5.31. It can be seen that the vast majority of housing sources involve ‘*specific developable sites*’. In fact the only source where individual sites cannot be identified is the ‘windfall’ category. The NPPF specifically allows for a windfall allowance to be made where there is compelling evidence that these will provide a reliable source of supply (NPPF paragraph 48). The Council has undertaken studies of each of the larger settlements to provide this evidence and, as a result, a modest windfall allowance is included. This amounts to 980 dwellings over the Plan period, or 7% of the total expected supply of 13,901 dwellings identified in the AMR 2015 (AMR Appendix 6 – Housing Trajectory). On this basis, the LPP1 requirement of 12,500 dwellings would be exceeded even if no windfall allowance at all were made. Accordingly, even at this early stage of the Plan period, the Council can show ‘*specific developable sites*’ to meet the whole of the LPP1 housing requirement for 12,500 dwellings.

5.32. Bullet point 4 – housing trajectory and implementation strategy

The key requirements of bullet point 4 of paragraph 47 are;

- to illustrate the expected rate of housing delivery (market and affordable housing) ‘*through a housing trajectory for the plan period*’;
- set out an implementation strategy describing how ‘*a five-year supply of housing land*’ will be maintained to meet the housing target.

5.33. The Local Plan Part 1 includes a housing trajectory and this follows a recommendation of the Local Plan Inspector. The requirement in bullet point 4 is for ‘*a housing trajectory*’ (singular) including market and affordable housing, not for separate ‘*housing trajectories*’ (plural) for

market and affordable housing (as suggested by some respondents). Clearly this was the LPP1 Inspector's understanding of bullet point 4 and, while the 'Zurich' legal challenge raised issues of NPPF compliance, this was not a matter that was challenged.

- 5.34. Affordable housing provision is largely dependent on, and closely related to, provision in conjunction with market housing sites (see Section 4 above for details of affordable housing provision / expectations). There is no separate numerical requirement for affordable housing set through LPP1, with the requirement being as set out in policy CP3 – 40% of 'market' housing sites unless this would render the proposal unviable. Therefore, if a trajectory for affordable housing were attempted, it would relate very closely to the overall housing trajectory and be based on a proportion of it. There is therefore no need or logic in producing a separate trajectory for affordable housing.
- 5.35. Appendix 6 of the 2015 AMR sets out an updated trajectory. If the Inspector considers that this should be included in LPP2 the Council is prepared to promote this as a modification. In order to avoid confusion as to its status, it is suggested that this would update and replace the trajectory in LPP1. It is possible for LPP2 to do this as the LPP1 trajectory is an appendix to the Plan, not part of the statutory development plan.
- 5.36. The '*implementation strategy*' for delivery of the required housing is intrinsically tied into the planning and spatial strategy set out in LPP1. This requirement is, therefore met by LPP1, with LPP2 simply adding detail in terms of the smaller site allocations needed to deliver the strategy. The LPP1 spatial strategy is set out in broad terms in policy DS1 and amplified in relation to each of the strategic allocations in policies WT2 (Winchester North), SH2 (West of Waterlooville) and SH3 (North Whiteley). Each of these policies is followed by a paragraph of explanatory text setting out how they are expected to be delivered.
- 5.37. Chapter 10 of LPP1 (Infrastructure, Implementation and Monitoring) also describes the implementation and monitoring process. This explains how delivery will be monitored through the AMR and what may trigger a review of LPP1. Paragraph 10.13 identifies that a review may be needed '*to deal with any serious shortfalls or unintended consequences identified through monitoring, or if it becomes inconsistent with national policy*', otherwise a review '*will be commenced roughly midway through the plan period*'. This paragraph also indicates that '*smaller-scale allocations and adjustments*

*to policy can be made through the preparation and production of Local Plan Part 2 or a Neighbourhood Plan’.*

- 5.38. Paragraph 10.14 addresses potential delays to key sites: *‘if key sites are being delayed, the Council will assess the reasons for this and investigate measures to overcome any constraints. However, it may be that other sources of supply will offset the delay and enable adequate housing provision to be maintained, or that there is expected to be an adequate District-wide land supply despite delays on a particular site. If not, it may also be necessary to bring forward additional sites for housing purposes in accordance with the development strategy established in this Plan, through the production of Local Plan Part 2 or subsequent reviews.’*
- 5.39. Some respondents suggest that certain key sites will be delayed, particularly the strategic allocations, and that LPP2 should address this by making additional provision. However, the updated trajectory at Appendix 6 of the 2015 AMR shows that any delay to the strategic allocations is modest and that all the strategic allocations are expected to be implemented, with all housing completed, before the end of the Plan period. Section 6 below includes a more detailed assessment of the delivery of the strategic allocations. Therefore, while there may be slight delays in the implementation of the strategic allocations, reflecting the national economic and house-building situation, it is not the case that the planning strategy set out in LPP1 or its strategic allocations are failing or cannot be implemented (see also Section 4 above).
- 5.40. Details of delivery of the strategic allocations and other key sites are reviewed at least annually through the Annual Monitoring Report and a more detailed commentary is given at Section 6 below. As paragraph 10.14 of LPP1 notes (see above), if there are delays measures to overcome them will be investigated and other sources of supply may offset any shortfall. The sources of housing supply as a whole are already expected to significantly exceed the housing requirement of 12,500, with the updated trajectory (2015 AMR, Appendix 6) suggesting total provision of about 13,900 dwellings over the Plan period.
- 5.41. It is only if there is not expected to be an adequate District-wide supply of housing that LPP1 envisages a possible need to rectify this through LPP2, or through a review of LPP1. It is clear that a District-wide shortfall of housing supply is extremely unlikely given the evidence of housing delivery in Section 6, reflected in the 2105 AMR trajectory. There is, therefore, no basis for ‘over-allocating’ sites through LPP2 in order to

correct a non-existent shortfall of housing supply. In the unlikely event that a shortfall of supply became apparent after the adoption of LPP2, there is scope to review either LPP1 or LPP2 (see Section 4 above in relation to the review of the Local Plan).

5.42. Bullet point 5 – housing density

The key requirement of bullet point 5 of paragraph 47 is to set out the approach to housing density. This is covered by LPP1 policy CP14, which supports higher densities for accessible sites, balanced with the need for high quality design. Priority is given to how well schemes respond to the character of an area. The policy does not attempt to set minimum or maximum densities and its approach was supported by the LPP1 Inspector, who found it consistent with NPPF paragraph 47:

*‘This locally defined approach is consistent with the national guidance in the NPPF (para 47)... any use of minimum (or maximum) densities would reduce the flexibility to help deliver suitable outcomes that are well related to their surroundings...’* (LPP1 Inspector’s Report, paragraph 126, see Examination Library Document EBT2).

5.43. LPP2 contains policies relating to site design and development principles (DM15 – DM16) but these do not include further requirements relating to density. Given the approach set out in LPP1 policy CP14, and the fact that this has been found to satisfy NPPF paragraph 47, there is no need to add anything further in LPP2.

**Conclusion**

5.44. Local Plan Part 1 satisfies many, but not all, of the requirements of NPPF paragraph 47. LPP2 does not need to repeat or re-visit matters which have been resolved through LPP1 (see Section 2 above). In establishing the District housing requirement through LPP1 the Local Plan Inspector was satisfied that LPP1 would meet the overall theme of paragraph 47, to *‘boost significantly the supply of housing’*. The 5 bullet points of paragraph 47 are addressed as follows:

**Bullet point 1** – objectively assessed need / key sites. LPP1 fully satisfies this bullet point by establishing the ‘objectively assessed need’ for housing and allocating a number of key sites. A legal challenge to the housing requirement has been rejected and there is no need for LPP2 to re-visit these matters;

**Bullet point 2** – 5 year land supply / buffer. Appendix 1(B) shows that a 5-year supply of deliverable sites can be comfortably maintained over the Plan period. While there is no evidence of any *'persistent record of under delivery of housing'* a 'buffer' of considerably more than 20% will be achieved over the remaining Plan period.

**Bullet point 3** – deliverable sites for years 6-10 and where possible 11-15. All of the sources relied on to deliver the housing requirement involve *'specific developable sites'*, other than the 'windfall' category. The windfall allowance is modest and justified by the evidence. The Council can show 'specific developable sites' to meet the whole of the LPP1 housing requirement of 12,500 dwellings.

**Bullet point 4** – housing trajectory and implementation strategy. Local Plan Part 1 fully satisfies the requirements for a housing trajectory and implementation strategy. The trajectory has been updated and shows that the LPP1 strategy is being delivered, with just a limited short-term delay in completions which will be overcome within 2 years. This does not justify increasing provision in LPP2 or a review of the housing requirement.

**Bullet point 5** – housing density. Local Plan Part 1 fully satisfies the requirement to define a local approach to housing densities (policy CP14).

**Most of the requirements of NPPF paragraph 47 are met in full by Local Plan Part 1 (bullet points 1, 4 and 5) and it is neither necessary nor appropriate to re-visit these matters in LPP2. LPP2 provides the necessary detail for the Inspector to be satisfied that an adequate supply of deliverable sites will be maintained and implemented, satisfying bullet points 2 and 3.**

## **6. Housing Delivery**

6.1. Several respondents to the Local Plan allege that the sources of housing supply identified by LPP1 and LPP2 will not be achieved and that additional / alternative sites should be released as a result. The Council rejects these assertions as it is clear from the updated housing trajectory (see 2015 AMR, Appendix 6) that the LPP1 housing requirement of 12,500 will not only be achieved within the Plan period, but significantly exceeded. In order to substantiate this point, this section examines each of the main sources of supply in more detail, as follows:

- Net completions 1.4.2011 – 31.3.2015
- Outstanding permissions at 31.3.2015
- SHLAA sites within settlement boundaries
- Windfall allowance
- Remainder to be allocated (LPP2 sites)

### Net completions 1.4.2011 – 31.3.2015

6.2. This category relates to net dwelling completions from the start of the Plan period to 31 March 2015. Clearly this is a robust source of housing delivery as it has already been achieved. The completions data is independently gathered, monitored and published by Hampshire County Council and covers large and small site completions.

6.3. The City Council has mapped the completions data to allow it to identify which spatial area or settlement each completed dwelling falls into. This enables comprehensive and detailed information on completions to be provided at the District level and for each of the spatial areas / settlements that have a specific housing target in LPP1. The completions data is, therefore, included in the relevant housing supply tables for Winchester Town (paragraph 3.3.1), each of the MTRA2 settlements (Chapter 4), and the South Hampshire Urban Areas (paragraph 5.6). Not surprisingly, none of the respondents appear to question to contribution to housing supply of the 'completions' category.

### Outstanding permissions at 31.3.2015

6.4. This category relates to planning consents which have been granted at 31.3.15, but where the development was not already completed. It

includes sites that were under construction, which may be split between 'completions' (where part of the development had been completed) and 'outstanding permissions' (where some permitted dwellings still remain to be completed). This information is also gathered by Hampshire County Council on a consistent Hampshire-wide basis and is split between small sites (up to 10 dwellings) and large sites (10 or more dwellings).

- 6.5. For large sites there is an assessment undertaken annually by City Council and County Council officers of the implementation of consents. This involves visiting each site to check whether development has started and any progress on it, and using any information available from site promoters / developers on the expected timing of delivery. The information is updated annually and therefore represents a detailed and comprehensive assessment of likely completions from large site consents. The results are set out for each large site in the Annual Monitoring Report (AMR Appendix 4, see Examination Library Document OD14) and is included in the relevant housing supply tables for Winchester Town, the MTRA2 settlements and South Hampshire Urban Areas.
- 6.6. The delivery of some of the large sites has been questioned by some respondents, particularly the strategic allocations (West of Waterlooville, North Whiteley and Winchester North) and other very large sites. In order to respond to these matters, the situation on each of the 3 strategic allocations, and the 3 other consented sites of 100 dwellings or larger, is outlined below.

#### **West of Waterlooville (LPP1 Strategic Allocation)**

- 6.7. The 'major development area' (MDA) at West of Waterlooville straddles the local authority boundary between Winchester City Council and Havant Borough Council. Both authorities' adopted Local Plans allocate the site for development, with almost 2,500 of the total 3,000 dwellings in Winchester and the remainder in Havant. Outline consents have now been granted for over 3,175 new dwellings, covering the whole of the development area. The Joint West of Waterlooville Major Development Area Planning Committee has been set up to speed decision-making on significant planning applications relating to the MDA.
- 6.8. The MDA falls into two broad ownerships, the Old Park Farm area which is controlled by house-builder Taylor Wimpey, and the Berewood area which is controlled by Grainger. The Old Park Farm area was originally consented for 450 dwellings, of which approximately 390 are in

Winchester District. A subsequent consent has been granted for a further 103 dwellings in the Winchester District, on land previously identified for employment uses. A small number of additional houses have also been granted in the Havant part of the site on land previously identified for 'live / work' accommodation.

- 6.9. Development on the Taylor Wimpey site started in 2009 and about 400 out of the total of 550 consented dwellings have now been completed (March 2016). About 150 of these were completed prior to the start of the Local Plan period (1.4.2011) so have not been counted as completions that contribute towards the LPP1 requirement. The final phase, which is the 103 dwellings granted on the land formerly allocated for employment uses, is due to commence this year (2016). Development continues and monitoring suggests these dwellings will all be completed by 2017/18. Therefore, for the purposes of housing delivery, there is no doubt that this part of West of Waterlooville will be completed within the Plan period. Development has provided 40% affordable housing on-site, in accordance with LPP1 policy SH1.
- 6.10. The largest part of the MDA is controlled by Grainger, which has outline consent for 2,550 dwellings, of which approximately 2,150 are in Winchester District. Development started in 2013 and around 125 of the 2,550 dwellings were completed as of 31 March 2015, leaving about 2025 dwellings to be completed in the Grainger area within Winchester District. The Grainger land is being sold in serviced development areas to a variety of housebuilders. The key infrastructure elements are being provided by Grainger, including the access roads, drainage (including SUDS), the first primary school (which opened in 2014), and open space provision (including the town park).
- 6.11. At present the housebuilder Bloors is on-site developing phase 1 for 194 dwellings and Redrow is also currently developing phase 2 for a further 246 dwellings (of which around 200 are in Havant). Phase 3 for around 418 dwellings in the Winchester District is expected to commence before the end of 2016 with the first completions early in 2017.
- 6.12. Grainger obtained a further consent in 2015 for 105 private rented sector (PRS) units, which they intend to build out and manage themselves, on land in Winchester District previously allocated for mixed uses. For the purposes of the original masterplan which accompanied the outline consent, around 30 residential units were anticipated in this part of the



site, so this further consent represents an increase of about 75 new dwellings (over the 2550).

- 6.13. Development of the MDA is proceeding well and with strong market interest. There are currently 3 major housebuilders on site, and this will soon to be 5 (including the Grainger PRS units). All phases so far have delivered 40% affordable housing which has help speed up housing delivery. It is fully expected that the MDA will be completed within the Local Plan period. The Annual Monitoring Report includes the following estimated trajectory for delivery of housing at West of Waterlooville (Winchester part):

Table 5 – West of Waterlooville Delivery Trajectory

Year	15 /16	16 /17	17 /18	18 /19	19 /20	20 /21	21 /22	22 /23	23 /24	24 /25	25 /26	26 /27	27 /28	28 /29	29 /30	Total
Old Park Farm	25	17	16	0	0	0	0	0	0	0	0	0	0	0	0	58
Grainger Site	40	100	200	200	200	200	200	200	150	150	100	100	85	60	39	2024
Total	65	117	216	200	200	200	200	200	150	150	100	100	85	60	39	2082

- 6.14. Parts of both Old Park Farm and the Grainger land are also being developed for more specialist forms of housing. A 60 bed extra care facility is currently being planned in the new local centre on the Grainger site (within Winchester District). A nursing care facility of 82 units is also being developed on part of the mixed use / employment land at Old Park Farm, within the Winchester District. Whilst this type of accommodation does not qualify as ‘dwellings’ so is not counted towards meeting the housing requirements, it is still helping to meet an element of the District housing need, in accordance with LPP1 policy CP2. Adjacent to the nursing care facility is an extra care development of 38 units, straddling the local authority boundary but with the majority located in Havant. These specialist forms of housing are all additional to the 3,000 dwellings originally consented in the MDA.

- 6.15. Accordingly, it is expected that West of Waterlooville will make a substantial contribution to the delivery of housing in the District over the Plan period. Development is proceeding and there are no infrastructure,

ownership or market impediments to the development being fully completed during the Plan period. The Council therefore considers that there can be a high degree of certainty about the delivery of this element of the housing supply.

### **North Whiteley (LPP1 Strategic Allocation)**

- 6.16. North Whiteley is a strategic allocation within the LPP1 for 3,500 dwellings. The Council resolved in October 2015 to grant outline consent for 3,500 dwellings at North Whiteley, together with a secondary school, two primary schools, and other physical and social infrastructure required to bring forward the development and create a cohesive new community. Consent is expected to be issued in Spring 2016 following completion of the necessary S106 agreements, including a requirement for the site to deliver around 20% affordable housing and an extra care unit in the northern local centre.
- 6.17. The site is being developed by the North Whiteley Consortium, which is comprised of three national housebuilders (Taylor Wimpey, Crest, and Bovis), together with a developer (Lakeside). The approved masterplan and phasing plan will allow the scheme to commence at both the northern and southern ends of the development area, so that at any one time there will be four housebuilders on-site, with a minimum of four sales offices.
- 6.18. The development is expected to commence in the Spring of 2016, and the Consortium has provided its own housing trajectory which anticipates that the development will be completed in its entirety by 2023/24. A bid has been agreed by the Solent LEP for £14 million towards highways infrastructure, including a new road between Bluebell Way and Botley Road and improvements to / extension of Whiteley Way to gain early access to the secondary school site. The bid has the support of all parties, including Government, and at the present time the Consortium is awaiting the final allocation of the funds. Work on these highways improvements is expected to commence in the summer of 2016.
- 6.19. Whilst the Council would not wish to challenge the ambitious programme promoted by the Consortium, it wants to avoid accusations that it has taken an overly optimistic view of the rate and pace of development. Therefore, it has taken a more cautious approach in the Annual Monitoring Report trajectory and used this in its calculations of 5 year land supply. The Council's trajectory would see the scheme completed by 2029/30

(see Table 6 below – ‘AMR Est Dwls’), compared to the Consortium’s estimate of 2023 (see Table 6 below – ‘Con Est Dwls’).

6.20. Under the Consortium’s programme the supply of housing in the first 5 years (from 2016/17) would provide almost 1000 more dwellings than the AMR trajectory (2,345 compared to 1,350). The Council does not question the Consortium’s programme and, even if its more cautious projection proves to be correct, the development will be completed within the Plan period.

Table 6 – North Whiteley Delivery Trajectory

Year	15 /16	16 /17	17 /18	18 /19	19 /20	20 /21	21 /22	22 /23	23 /24	24 /25	25 /26	26 /27	27 /28	28 /29	29 /30	Total
Con Est Dwls	0	125	375	575	635	635	435	429	291	0	0	0	0	0	0	3500
AMR Est Dwls	0	25	200	350	375	400	450	450	450	300	200	100	100	50	50	3500

6.21. Accordingly, it is expected that North Whiteley will make a substantial contribution to the delivery of housing in the District over the Plan period. Development is about to commence and substantial public sector investment is committed to assist with delivery, particularly of transport infrastructure. There are no ownership or market impediments to the development being fully completed during the Plan period, even based on the Council’s cautious estimate of the development programme, with the North Whiteley Consortium expecting completion much earlier. The Council therefore considers that there can be a high degree of certainty about the delivery of this element of the housing supply.

**Winchester City North (LPP1 Strategic Allocation)**

6.22. Winchester City North (also known as Barton Farm) is a strategic allocation within the LPP1 for 2,000 dwellings. The site is being developed by Cala Homes, who have outline consent for 2,000 dwellings. Reserved matters applications have been approved for the main access and the first residential phases which total 423 dwellings.

- 6.23. Formal commencement of the development was in September 2015 with the construction of the first access, and a start on first phase 1b for 223 dwellings expected in the Spring 2016, with the first completions towards the end of the year. The second phase (1a) of 200 dwellings is programmed to start 6 months after phase 1b commences (i.e. late 2016). The expectation is that there will be at least two sales offices in different parts of the site and, together with the provision of 40% affordable housing, after the first three years as the site comes fully on stream there will be around 200 completions per year. Cala has provided its development programme which sees the development being completed in its entirety in 2027/28.
- 6.24. The development will provide a park and ride facility, a new 2/3 FE primary school, open space including sports pitches, a local centre, a community centre and an extra care facility. The developers will make the primary school site available to Hampshire County Council later this year (2016). The S106 agreement requires that 40% of the new housing should be affordable, and the extra care facility might be provided by the County Council in lieu of a pro-rata affordable housing contribution.
- 6.25. The developers have experienced delays in starting housebuilding, associated with their arrangements with the landowner, but these have now been largely resolved. This has resulted in the developer's estimated completions starting at a slightly slower rate than the AMR trajectory (see table below). This has a slight effect on the number of completions in the 5 years from 2016/17, which reduce by 60 dwellings from 800 to 740. The development is expected to be completed in 2027/28 under both projections.

Table 7 – Winchester City North Delivery Trajectory

Year	15 /16	16 /17	17 /18	18 /19	19 /20	20 /21	21 /22	22 /23	23 /24	24 /25	25 /26	26 /27	27 /28	Total
Cala Est Dwls	0	45	105	190	200	200	200	200	200	200	200	200	60	2000
WCC Est Dwls	0	50	150	200	200	200	200	200	200	200	200	100	100	2000

- 6.26. Given the strong demand for housing in Winchester town the proposals are expected to be completed well within the Local Plan period. The Council therefore considers that there can be a high degree of certainty about the delivery of this element of the housing supply.

### **Silver Hill, Winchester**

- 6.27. The Silver Hill area of central Winchester is allocated for mixed use development by policy W2 of the Winchester District Local Plan Review 2006 (WDLPR – see Examination Library Document OD10) . This policy is carried forward with appropriate updating in policy WIN4 of LPP2. Background Paper 3: ‘Silver Hill’ (see Examination Library Document OD17) sets out the situation regarding Silver Hill in more detail.
- 6.28. The area is run down and in need of regeneration. The Council entered a Development Agreement with developer Thornfield in 2004, following the agreement of a Planning Brief in 2003. Planning applications were submitted in 2006 and it was resolved to approve them in 2007. There were revisions to the scheme in 2008 and permission was issued in 2009 following the completion of S106 agreements. This ‘2009 scheme’ was for a comprehensive mixed use development which included the provision of 307 dwellings (including 20 ‘live-work’).
- 6.29. Following the economic crash, Thornfields was unable to secure bank funding and was put into administration in 2010. It was acquired by Henderson (now TH Real Estate) later in 2010 and the Development Agreement was revised to accommodate this. Compulsory Purchase proceedings progressed to a CPO Inquiry in 2012 and the CPO was subsequently confirmed by the Secretary of State.
- 6.30. In 2014 a revised planning application was submitted and subsequently approved. This ‘2014 scheme’ was also for mixed use development but reduced the scale of housing proposed to 184 dwellings and increased the amount of retail floorspace to reflect changing market conditions. It was accepted that it would not be viable to provide affordable housing within the development. The scheme was referred to the Secretary of State but notice was received in July 2015 that it would not be ‘called in’. The planning decision has not yet been issued, pending the discharge of planning conditions.
- 6.31. A legal challenge was commenced in 2014 regarding alleged unlawful aspects of the Development Agreement in relation to procurement law. The resulting judgement was issued in February 2015 and found that the

Council had acted unlawfully, in brief by not re-tendering the Development Agreement when variations were made to it. As the challenge and resulting decision related to changes to the Development Agreement, it meant that the '2104 scheme' could not be implemented as it relied on these changes to the Development Agreement.

- 6.32. Henderson has appealed against the judgement and seeks to test what changes could be made to the scheme without 'unlawful' changes to the Development Agreement. The Council resolved not to extend the deadlines within the Development Agreement and the CPO has now lapsed. As a result, neither the 2009 or 2014 schemes are currently capable of being implemented.
- 6.33. The Silver Hill area remains in severe need of regeneration and, while there is wide acceptance of this, the solution in terms of future development is more controversial. Nevertheless, the Local Plan allocation (policy WIN4) continues to provide an appropriate basis for the development of the area and Background Paper 3: 'Silver Hill' (see Examination Library Document OD17) sets out the situation regarding this policy in more detail.
- 6.34. The assessment of housing land supply in the 2015 AMR was based on the likely development of the '2009 scheme' for 307 dwellings. It remains likely that a large number of residential units will be provided on this site within the Plan period. Whether it proves to be more or less than 307 dwellings is uncertain, but it is now likely that a smaller number of dwellings (if any) will be developed within the next 5 years. Accordingly, it remains realistic to expect Silver Hill to contribute significantly towards meeting future housing (and retail) needs within the Local Plan period, but the timing of such provision is now likely to fall later within the Plan period than originally assumed.
- 6.35. The overall housing contribution of Silver Hill which is included within the 'Winchester Net Housing Requirement' table at paragraph 3.3.1 of LPP2 (and in the 2015 Annual Monitoring Report) is 307 dwellings. The AMR includes the following estimated trajectory for delivery of housing at Silver Hill:

Table 8 – Silver Hill Delivery Trajectory

Year	2017/18	2018/19	2019/20	2020/21	2021/22	Total
Estimated Dwellings	20	50	100	100	37	307

6.36. 307 dwellings remains a reasonable estimate for the housing capacity of the area and of expected delivery over the Local Plan period as a whole. However, the rolling assessment of 5-year land supply at Appendix 1(B) assumes the above trajectory for delivery of Silver Hill and it is accepted that this will now be delayed. Nevertheless, it can be seen that the 'surplus' supply shown in Appendix 1(B) for the years which include delivery from Silver Hill (2017-2022) is considerably greater than the estimated contribution of Silver Hill. Accordingly, delays to Silver Hill will not have a significant effect on the 5-year land supply situation set out in Appendix 1(B), and certainly not so substantial as to cause any failure to maintain an adequate housing land supply.

**Police Headquarters, Winchester**

- 6.37. The Hampshire Constabulary Headquarters consist of a 1960's office block, car parking and landscaped area on Romsey Road, Winchester. The Police have intended to relocate from this site for some years and permission was granted in 2007 for redevelopment of the site for a net gain of 294 dwellings, of which a high proportion were 1 and 2 bed units. An extension to the time limit on this consent was granted in 2011.
- 6.38. Changes in the housing market have resulted in the consented scheme no longer being commercially attractive, particularly due to the high proportion of small, flatted units involved. Hampshire Constabulary has now vacated the site, which has been acquired by a developer, Berkeley Homes. A planning application for 208 dwellings as part of a new layout for the site was submitted in June 2015 and the City Council resolved to grant permission for this scheme in February 2016.
- 6.39. A licence for the demolition of the existing office block was issued (by the Council's Building Control Department) in late 2015 and site preparation is commencing (March 2016). There is, therefore, a clear commitment by an established house-builder to progress the development of this site for 208 dwellings. The overall housing contribution of the Police HQ site which is included within the 2015 AMR is 208 dwellings (2015 AMR, Appendix 4,

Large Sites Phasing). Whilst the extant scheme of 294 is listed in the AMR Appendix 4, it is recognised that this will not be implemented and the supply is reduced by 86 units (shown in the ‘unlikely’ column) to reflect the expectation that 208 dwellings will now be developed. The AMR therefore assumes that the new scheme of 208 dwellings would be permitted and implemented, so includes the following estimated trajectory for 208 dwellings at the Police HQ site:

Table 9 – Police Headquarters Delivery Trajectory

Year	2017/18	2018/19	2019/20	2020/21	Total
Estimated Dwellings	25	70	70	43	208

6.40. It is expected that the recently-consented scheme of 208 dwellings will be developed, rather than the previous consent for 294 units. The assessment of 5-year land supply in the AMR and at Appendix 1(B) reflects this and is therefore realistic. The table at paragraph 3.3.1 of LPP2 uses the extant permission figure of 294 dwellings (as this was the extant consent at the base date of 31.3.15) as the contribution of this site to the overall provision of housing during the LPP2 period. In practice this will be reduced by 86 dwellings ( $294 - 208 = 86$ ) but if the table were updated (e.g. to March 2016) there would be other changes also. Therefore this reduction may be offset by these changes and, in any event, is not significant either in the context of LPP2 as a whole (where the 2015 AMR trajectory expects the LPP1 requirement to be exceeded by over 1400 dwellings, or for Winchester Town (where the table at paragraph 3.3.1 expects 4,857 dwellings to be completed compared to the LPP1 requirement of 4,000). Even if there were an overall reduction of 86 units, this would simply reduce the Winchester Town ‘over-provision’ from 857 dwellings to 771, still amounting to almost 20% of the requirement.

**Pitt Manor, Winchester**

6.41. Pitt Manor was identified in the Winchester District Local Plan Review 2006 (WDLPR) as a ‘Local Reserve Site’ for 200 dwellings (WDLPR policy H2). The Local Reserve Sites were available to be brought forward if needed to meet housing requirements. These sites were all released in response to the difficulties in maintaining an adequate land supply in the period prior to the adoption of LPP1, with Pitt Manor receiving consent for



200 dwellings in 2012. Various ‘reserved matters’ were approved during 2014 and 2015 and development is now well underway.

- 6.42. The site is being developed by Bovis Homes, an established national house-builder. It includes provision of a 200-space Park and Ride site which has been completed and opened in February 2016. The AMR includes the following estimated trajectory for 200 dwellings at the Pitt Manor site:

Table 10 – Pitt Manor Delivery Trajectory

Year	2015/16	2017/18	2018/19	Total
Estimated Dwellings	100	80	20	200

- 6.43. Development is progressing well and it is estimated that approximately half of the permitted units were completed at March 2016. The remainder are due to be completed within 2 years, so there is a very high level of certainty that this site will deliver both the overall contribution of 200 dwellings towards the LPP1 housing requirement, as well as a contribution to supply within the next 5 years. Both the 2015 AMR and the ‘Winchester Net Housing Requirement’ table at paragraph 3.3.1 of LPP2 assume that this site will contribute 200 dwellings and this remains realistic.
- 6.44. Accordingly, in relation to large sites with planning consent at 31.3.2015, all of the capacity estimated in the 2015 AMR remains realistic. The revised scheme for the Police HQ site is already reflected in the trajectory and 5 year land supply calculations, but not in the ‘Winchester Net Housing Requirement’ table at paragraph 3.3.1 of LPP2 (due to the base date of this information). However, the reduced capacity (86 units) is not significant given the level of ‘over-supply’ in Winchester Town, and amounts to less than 2% of the supply identified in the table at paragraph 3.3.1 of LPP2. The development of housing as part of the Silver Hill development is still expected, with the estimate of about 300 units remaining realistic. While the contribution of this site is expected to be delayed, it is still expected to be developed within the LPP2 period.

**Small Sites**

- 6.45. Small site commitments relate to specific planning consents on site of less than 10 dwellings. In the Annual Monitoring Report these are grouped together and it is assumed that all small sites will be completed within a 5

year period (as consents would normally lapse if not implemented in this period). The total number of permitted dwellings outstanding on small sites at 1 April 2015 was 396.

- 6.46. The AMR applies a 3% non-implementation discount which reduces this number to 384 (see 2015 AMR Table 19). The 3% 'non-implementation' rate results from work undertaken to inform the Core Strategy (LPP1), particularly analysis of lapsed permissions between 2001 and 2011. Over the ten year period, the percentage of dwellings for which permission lapsed was 2.13%. The 3% figure was also used in developing the District Local Plan Review (2006), based on information from earlier periods. Therefore, non-implementation levels within the District have typically been very low over a long period of time, reflecting the relatively strong housing market within the District. Experience shows that it is rare for planning permissions to lapse without being implemented or renewed.
- 6.47. The housing supply figures were accepted by the LPP1 Inspector and the small sites commitments are included within the LPP1 housing trajectory. The 3% non-implementation rate has also been used in appeals where land availability is an issue and has not been challenged. This does not seem to be an area of challenge in terms of the Local Plan objections, but even if a higher non-implementation rate were used the effect would be minimal. For example, a 10% non-implementation rate (as often suggested at appeals) would only result in the gross small sites consents figure being reduced by 40 dwellings, rather than 12 dwellings when using 3%, a 28 dwelling difference.
- 6.48. At the settlement level, the housing supply tables for Winchester Town (paragraph 3.3.1), each of the MTRA2 settlements (Chapter 4), and the South Hampshire Urban Areas (paragraph 5.6) contain very modest numbers of small site consents. Many small site consents relate to sites in the smaller villages or countryside, rather than in the larger settlements which have housing targets. For this reason, the settlement housing supply tables do not include the 3% discount, as it would amount to a fraction of a dwelling in most cases. Even in Winchester, where there are outstanding small site permissions for 173 dwellings, applying the discount would reduce the number by only 5 units ( $173 \times 3\% = 5$ ). Elsewhere, the maximum scale of change would be a reduction of a fraction of 1 dwelling.
- 6.49. Therefore, a high level of reliance can be placed on the contribution of small sites with planning consent. The impact of applying different non-

implementation rates is insignificant given the scale of overall District land supply. Similarly, the numbers are so small at the settlement level as to be negligible, even in the case of the largest settlement of Winchester Town.

#### SHLAA Sites Within Settlement Boundary

- 6.50. The SHLAA identifies specific sites and these have been reassessed at each update of the SHLAA to ensure that they will be deliverable. The SHLAA has been updated almost annually since it was first published in 2009, with the latest version being the SHLAA Update 2105 (see Examination Library Document EBT8). This was published alongside the Publication Local Plan Part 2 and is expected to be the last update for a while, as LPP2 will resolve which SHLAA sites should be allocated for development.
- 6.51. The SHLAA sub-divides the expected delivery from identified sites into 5-year periods covering the periods 2015-2020, 2020-2025, 2025-2030, and 2030 and beyond. The SHLAA therefore covers the whole of the remaining Local Plan period (to 2031). Many sites have been removed from the various iterations of the SHLAA in response to comments expressing doubts about their deliverability. Those sites which still remain in the 2015 SHLAA are, therefore, considered to have a very high prospect of being developed over the Local Plan period. Indeed, it is likely that various sites that have been removed from the SHLAA will also be developed, but they have not been included if there are doubts over their deliverability.
- 6.52. All the SHLAA sites are specifically identified (rather than being 'broad locations') and the SHLAA includes a map and information sheet for each site (see Examination Library Document EBT8, Appendix 2). This covers information on the key issues that affect delivery, namely suitability, availability, and achievability. As each site is specifically identified it is possible to define which settlement or spatial area they fall within, and this information is included in the housing supply tables for Winchester Town (paragraph 3.3.1), each of the MTRA2 settlements (Chapter 4), and the South Hampshire Urban Areas (paragraph 5.6). In several cases there are no expected SHLAA sites in these settlements and in most others the contribution is modest.
- 6.53. In Winchester Town, the cumulative total of SHLAA sites is larger, but even the total supply of 310 dwellings only amounts to 6% of the total

Winchester Town supply (4857 dwellings). Each SHLAA site is justified within the SHLAA and, because the sites are individually mapped and assessed, there is no risk of double-counting. It is notable that housing supply in Winchester is so far above the 4,000 dwelling LPP1 requirement that the whole SHLAA allowance of 310 dwellings could be discounted and there would still be ample capacity to meet the requirement.

- 6.54. Therefore, it is concluded that a high degree of confidence can be placed on the expected contribution of SHLAA sites. If anything, the Council has taken a cautious approach by excluding sites from the SHLAA where there is any significant doubt about their delivery, even though the Plan period runs for a further 15 years.

#### Windfall Allowance

- 6.55. The NPPF states that *'LPAs may make an allowance for windfall sites in the five-year supply if they have compelling evidence that such sites have consistently become available in the local area and will continue to provide a reliable source of supply. Any allowance should be realistic having regard to the Strategic Housing Land Availability Assessment, historic windfall delivery rates and expected future trends, and should not include residential gardens'*. (NPPF Paragraph 48)
- 6.56. Traditionally, windfalls have made a significant contribution to the housing land supply in the District. Evidence submitted to the LPP1 examination showed that in the 10-year period 2001-2011 windfall sites constituted 55% of total completions, with provision in the 8 years from 2003-2011 being 2,200 dwellings. Objectors often suggest that windfall allowances are over-estimated or that windfall sites will 'dry up' over time, but the evidence in Winchester District suggests that their contribution increased over the 10-year period assessed. The definition of windfall sites used was consistent with the NPPF definition, so excluded dwellings developed on gardens (where it was possible to research this information), as well as excluding replacement dwellings, rural exception sites and rural workers' dwellings.
- 6.57. There was, therefore, 'compelling evidence' presented to the LPP1 Inspector that windfall sites made a considerable contribution to housing provision. They had averaged 266 dwellings per annum from 2001 to 2011 and, even excluding garden sites as advocated by the NPPF, the average was 171 dwellings per annum from 2006 to 2011. Nevertheless, the Council promoted a much more modest windfall allowance in its

submitted LPP1 housing trajectory. This was combined with potential LPP2 provision, with no allowance until 2016/17 to ensure there was no double-counting with planning consents, and an average of 100 dwellings per annum from 2020/21. This increased to potentially 150 dwellings per annum under the 'stronger market conditions' trajectory from 2016/17 (including LPP2 allocations).

- 6.58. Therefore, the allowance for windfall sites in LPP1 was significantly lower than had been achieved in the preceding 10 years. The housing trajectory included in the adopted LPP1, as recommended by the LPP1 Inspector, makes an allowance of 130 dwellings per annum for windfall and LPP2 sites in most years from 2016/17 (slightly higher in some years). It was, therefore, accepted in LPP1 that windfall sites would continue to make a substantial and reliable contribution to housing supply over the Plan period.
- 6.59. Despite this, more detailed assessments of windfall potential were undertaken as part of the evidence work for LPP2. These assessed whether there is 'compelling evidence' for making windfall allowances within each of the main settlements, in order to determine more precisely their expected capacity (and hence whether any additional site allocations were needed). As a result, a series of 'Assessments of Windfall Trends and Potential' studies were produced for each of the 8 'MTRA2' settlements and for Winchester Town.
- 6.60. The 'Assessments of Windfall Trends and Potential' studies all used a standard methodology and process, which can be summarised as:
- Analysis of net housing completions 2007-2012 to identify how many were 'windfall';
  - Assess the type and size of housing sites developed;
  - Determine the previous use of the sites involved, enabling 'garden' sites to be excluded;
  - Assessment of settlement character and land supply from outstanding planning consents;
  - Conclusions as to the capacity and potential for each windfall site category and the prospects for windfall development overall in each settlement, using the results of the stages above.

- 6.61. It can, therefore, be seen that the level of evidence gathering fully meets, if not exceeds, the requirements of the NPPF (paragraph 48). This requires *'compelling evidence'* that such sites have consistently become available and that *'any allowance should be realistic'* having regard to the SHLAA, historic delivery rates and expected future trends, and *'should not include residential gardens'*. The Planning Practice Guidance does not contain any further advice regarding windfall sites, other than that *'a windfall allowance based on a geographical area'* could be included using the NPPF paragraph 48 criteria.
- 6.62. The 'Assessments of Windfall Trends and Potential' for each of the larger settlements enable conclusions to be reached on how much windfall allowance, if any, should be made on a settlement-by-settlement basis. As a result, the only settlements where it is concluded that there is *'compelling evidence'* for a windfall allowance are Winchester Town and Kings Worthy. The allowances made for these settlements are from 2017/18 onwards and are for 910 dwellings in Winchester and 70 in Kings Worthy. These are based on an average of 65 and 5 dwellings per annum respectively in each settlement over the 14 years from 2017/18 to 2030/31. No allowance is made prior to 2017/18 to ensure there is no double-counting of sites that already have planning consent.
- 6.63. In fact, the windfall allowance is considered to be very modest as it makes no allowance for any windfall outside Winchester or Kings Worthy, or for redevelopment of residential gardens. In practice, the planning policies applying allow for windfall development in the large number of settlements across the District, through developments in the countryside such as conversion and agricultural dwellings, and in residential gardens. Therefore, other windfall development does occur and, given that the Local Plan's policies allow for these developments, it is expected that there will be a significant additional element of windfall in various locations across the District, over and above the allowances made in LPP2.

'Remainder to be allocated'

- 6.64. Most of the housing supply tables conclude with a 'remainder to be allocated' total, taking account of the evidence on the various sources of supply. For Winchester Town this is zero (table at paragraph 3.3.1), as the identified sources substantially exceed the LPP1 requirement for Winchester. The table for the South Hampshire Urban Areas (paragraph 5.6) omits a 'remainder to be allocated' line, but shows that the total available supply is 6,106 dwellings, which compares to a LPP1

requirement of 6,000 dwellings for the South Hampshire Urban Areas. Therefore, the sources of supply in the SHUA exceed the LPP1 requirement and no further allocations are necessary.

- 6.65. For all of the larger rural settlements which are subject to LPP1 policy MTRA2 the 'remainder to be allocated' shows that allocations are necessary, with the exception of Denmead where the site allocation process has already been undertaken through a Neighbourhood Plan (Denmead Neighbourhood Plan, adopted 2015, Examination Library Document OD8). One of the key purposes of LPP2 is therefore to allocate the sites necessary to meet the housing requirements for each of the MTRA2 settlements, so as to achieve the LPP1 requirements of 500 dwellings for Bishops Waltham and New Alresford and 250 dwellings for each of the other 6 MTRA2 settlements. A large part of the process and evidence undertaken for LPP2 involved identifying and consulting on these sites, which are now contained in the Submitted LPP2.
- 6.66. This Background Paper does not seek to rehearse the process by which the LPP2 site allocations were selected, nor respond to representations made about this process. These issues will inevitably be a key part of the examination process and the Council will respond in due course to the detailed matters which the Inspector identifies for examination. Similarly, detailed questions about the deliverability, viability or the timing of development of any individual site allocation will be dealt with, as necessary, in the Council's responses to the Inspector's identified examination matters.
- 6.67. This Background Paper therefore considers the deliverability of the 'remainder to be allocated' in broader terms, focussing on the expected timing of delivery, viability, and progress made in bringing sites forward. The 2015 Annual Monitoring Report (Appendix 7) sets out the expected timing of delivery of all the sites allocated in LPP2, including the contribution of the broader areas identified in the Planning Frameworks within Winchester. This enabled an informed estimate of the contribution of LPP2 sites to be used to calculate the 5-year land availability position in the 2015 AMR. This information has also been used to inform the rolling land availability schedule at Appendix 1 of this Background Paper.
- 6.68. Appendix 7 of the 2015 AMR lists all the LPP2 site/area allocations and takes account of any existing planning consents or allowances already made in the SHLAA, to avoid double-counting, meaning that the LPP2 contribution for some sites is reduced or even zero. This does not mean

that the site is expected to fail to come forward or that its capacity is less than stated in LPP2, it is simply a reflection that some capacity is accounted for elsewhere.

- 6.69. The table at Appendix 3 below sets out the current situation (March 2016) in relation to each of the LPP2 site/area allocations in terms of whether planning applications or requests for pre-application advice have been submitted, whether there has been a viability appraisal, and the estimated timing of delivery. The site capacity is taken from the relevant LPP2 policy, where included, or the estimate used in the AMR. Where some or all of the capacity is already accounted for through planning consents or the SHLAA, this is noted. The table follows the same order as Appendix 7 of the AMR but does not include sites in Denmead (as these are allocated by the Denmead Neighbourhood Plan).
- 6.70. It can be seen from Appendix 3 that the estimates of delivery included in the 2015 AMR remain realistic for the vast majority of LPP2 sites. If anything, a cautious view has been taken of the delivery of a significant number of sites – Appendix 3 shows that it is currently considered likely that 8 of the 25 sites/areas will or may be delivered earlier than expected in the AMR (accounting for 620 dwellings). Only in one case (Silver Hill) is it thought that development is likely to be later than estimated in the AMR – this site is discussed under ‘Large Sites’ above and in Background Paper 3: ‘Silver Hill’ (see Examination Library Document OD17).
- 6.71. It will also be noted that the planning applications which are being submitted, and subsequent approvals, confirm that the Local Plan’s estimated site capacities are realistic. In most cases the numbers involved (where whole sites have come forward) are the same as, or slightly higher, than in the LPP2 allocations. Only one site has been approved for a lower number of dwellings (WC4 Forest Road, 81 dwellings permitted compared to LPP2 estimate of 85). This is a very small variation which is offset by a current application for higher numbers at WC3 (Sandy Lane) and proposals under discussion for WC1 Morgan’s Yard. Over half the LPP2 sites have planning consents, or applications under consideration, for all or part of the LPP2 allocated sites.
- 6.72. Accordingly, it can be seen that the estimates of delivery for all the Local Plan sites/areas are realistic (or if anything pessimistic), other than for Silver Hill. Even in the case of Silver Hill, the site capacity estimate remains realistic, but the timing is likely to be later than suggested in the AMR. This Background Paper does not respond to specific detailed



objections relating to the deliverability of individual sites – the Council will provide such evidence as necessary in response to matters raised by the Inspector.

### **Conclusion**

- 6.73. The Local Plan includes housing supply tables for Winchester Town (paragraph 3.3.1), each of the MTRA2 settlements (Chapter 4), and the South Hampshire Urban Areas (paragraph 5.6) which provide a detailed breakdown of expected housing delivery for each area that has a LPP1 housing target. The various sources of expected supply have been analysed in detail to ensure that these are all taken into account accurately and without any double-counting or omissions. Where existing identified sources are not sufficient to meet the LPP1 requirement, sites are allocated in LPP2 to provide the ‘remainder to be allocated’.
- 6.74. The 2015 Annual Monitoring Report (see Examination Library Document OD14) provides a recent analysis of the various sources of supply and the sections above consider these in more detail. The only significant changes are:
- The promoters of the North Whiteley development expect it to proceed at a significantly faster rate than estimated in the AMR, with the Winchester North development expected to take slightly longer to build up towards peak output. All 3 strategic allocations are expected to be completed in the Plan period;
  - the Police Headquarters site in Winchester now has consent for 208 dwellings so is likely to provide 86 dwellings less than the 294 previously consented. This was anticipated in the 2015 AMR trajectory and the 5-year land supply calculations, and can be accommodated without causing shortfalls in Winchester or at a District level;
  - it is unlikely to be possible to implement existing consents for Silver Hill due to a High Court judgement, but the LPP2 allocation for the site remains appropriate (policy WIN4). The site is likely to deliver a similar level of housing over the Plan period although this is likely to be later than anticipated in the AMR;
  - the rate of development on the LPP2 allocations is expected to be faster than expected in the AMR on about 1/3rd of the allocated sites/areas, with only one site (Silver Hill, see above) expected to be slower. Many sites now have planning applications or consents and

are expected to provide the level of housing estimated within the Plan period.

- 6.75. LPP2 only deals with the part of the District outside the South Downs National park (SDNP), whereas the LPP1 housing requirement of 12,500 is for the whole District. Therefore, any provision made in the emerging SDNP Local Plan, or dwellings provided through windfall sites, will contribute to the LPP1 housing requirement. While this is likely to be a modest amount of housing compared to other sources, the 'Preferred Options' version of the SDNP Local Plan (2015) proposes site allocations totalling some 84 dwellings within the SDNP part of Winchester District ([Preferred Options SDNP Local Plan](#), policy SD23). The 2015 Annual Monitoring report only accounts for existing completions and consents within the SDNP, so any SDNP Local Plan provision or windfall sites will be in addition to the supply identified in the AMR and LPP2. Based on the Preferred Option SDNP and a modest windfall figure, this is likely to amount to at least 100 dwellings.
- 6.76. Therefore, the evidence shows that each of the sources of housing supply is likely to be very secure and robust (and that there will be modest additional provision in the SDNP part of the District). Part of the District housing requirement has been completed and a further high proportion already has planning consent, only 4 years into the Plan period (31.3.15 base date) and 2 years after adoption of LPP1. The updated information suggests that the speed of delivery of the strategic allocations (as a whole) and many LPP2 sites is likely to be faster than anticipated. **The Inspector can, therefore, be confident that all of the LPP1 housing targets for spatial areas will be met and that significantly more than 12,500 dwellings will be delivered at the District level over the Plan period.**

## **7. Conclusions**

- 7.1. The LPP2 does not purport or seek to determine the District housing requirement or 'objectively assessed needs', so must be consistent with the adopted development plan (including LPP1). The LPP1 housing requirement took account of all housing needs, including affordable housing, has been found to be sound, and was supported through a legal challenge. LPP2 seeks to put in place the policies and site allocations which will ensure that the needs and development strategy identified in LPP1 are delivered and has been developed on this basis.
- 7.2. Therefore it is not necessary for the LPP2 Inspector to reassess 'objectively assessed needs'. The LPP1 is recently-adopted, up to date, NPPF-compliant and its Inspector envisaged a 2-part Local Plan. This is provided for by the NPPF and has been supported by other Inspectors and case law. The Inspector does not need to reassess 'objectively assessed needs' and it would be going beyond the intentions and proportionate evidence base of the LPP2 to seek to do so.
- 7.3. The *Zurich v Winchester* judgement clearly demonstrates that there is no pre-2011 housing 'shortfall' that should have been taken into account in LPP1, let alone any justification for LPP2 to provide for such an alleged shortfall. It also demonstrates that the LPP1 housing requirement is for 12,500 dwellings over 20 years, not for 625 dwellings to be developed in each year. The housing trajectory at Appendix F of LPP1 was recommended for inclusion by the LPP1 Inspector and shows that a low level of completions was expected in the early Plan period, building to a peak in the mid Plan period and falling off again towards the end.
- 7.4. Whilst the economic situation, which is beyond the City Council's control, has meant that actual delivery is running slightly behind the trajectory, this is not to a significant degree. Measures are being introduced at the national and local level to accelerate housing delivery and it is expected that the housing requirement will be met (in fact exceeded) within the Plan period. A Local Plan review midway through the period will be able to address any need to update the housing requirement or delivery. The Inspector does not need to reassess the housing trajectory established in LPP1, which expects delivery to build up from a low starting level, is being broadly met and can be adjusted as necessary through a future review of the Local Plan.

- 7.5. Neither the OAN or evidence base is out of date. Household projections are one of many factors to be taken into account and updated projections are produced on a regular basis. The most recent projections show a lower level of household and population growth than those used to derive the LPP1 housing requirement. Similarly, the 2012 South Hampshire Strategy is reflected in LPP1 and its update is not yet available. The update will be a matter to be taken into account in a future review of the Local Plan. Affordable housing provision is tracking the overall housing trajectory and is projected to meet the Inspector's aims (of 2500 affordable units over 10 years), albeit that these are not a specific LPP1 Target.
- 7.6. All of this suggests that there is no current need to review either the OAN or LPP1 itself. The 'triggers' for such a review (Chapter 10 of LPP1) have not been met and nor has the recommended period in Planning Practice Guidance. The Inspector does not need to re-visit the OAN or await a review of LPP1 or key evidence work before LPP2 can be adopted. There is the option to review the Local Plan, but this should be after the current Plan as a whole is put in place, and this should remain the priority to ensure housing delivery and up to date policies.
- 7.7. Local Plan Part 1 satisfies many, but not all, of the requirements of NPPF paragraph 47. LPP2 does not need to repeat or re-visit matters which have been resolved through LPP1. In establishing the District housing requirement through LPP1 the Local Plan Inspector was satisfied that LPP1 would meet the overall theme of paragraph 47, to *'boost significantly the supply of housing'*. The 5 bullet points of paragraph 47 are addressed as follows:

**Bullet point 1** – objectively assessed need / key sites. LPP1 fully satisfies this bullet point by establishing the 'objectively assessed need' for housing and allocating a number of key sites. A legal challenge to the housing requirement has been rejected and there is no need for LPP2 to re-visit these matters;

**Bullet point 2** – 5 year land supply / buffer. Appendix 1 shows that a 5-year supply of deliverable sites can be comfortably maintained over the Plan period. While there is no evidence of any *'persistent record of under delivery of housing'* a 'buffer' of considerably more than 20% will be achieved over the remaining Plan period.

**Bullet point 3** – deliverable sites for years 6-10 and where possible 11-15. All of the sources relied on to deliver the housing requirement involve

*'specific developable sites'*, other than the 'windfall' category. The windfall allowance is modest and justified by the evidence. The Council can show 'specific developable sites' to meet the whole of the LPP1 housing requirement of 12,500 dwellings.

**Bullet point 4** – housing trajectory and implementation strategy. Local Plan Part 1 fully satisfies the requirements for a housing trajectory and implementation strategy. The trajectory has been updated and shows that the LPP1 strategy is being delivered, with just a limited short-term delay in completions which will be overcome within 2 years. This does not justify increasing provision in LPP2 or a review of the housing requirement.

**Bullet point 5** – housing density. Local Plan Part 1 fully satisfies the requirement to define a local approach to housing densities (LPP1 policy CP14).

- 7.8. Most of the requirements of NPPF paragraph 47 are met in full by Local Plan Part 1 (bullet points 1, 4 and 5) and it is neither necessary nor appropriate to re-visit these matters in LPP2. LPP2 provides the necessary detail for the Inspector to be satisfied that an adequate supply of deliverable sites will be maintained and implemented, satisfying bullet points 2 and 3.
- 7.9. The Local Plan includes housing supply tables for Winchester Town (paragraph 3.3.1), each of the MTRA2 settlements (Chapter 4), and the South Hampshire Urban Areas (paragraph 5.6) which provide a detailed breakdown of expected housing delivery for each area that has a LPP1 housing target. The various sources of expected supply have been analysed in detail to ensure that these are all taken into account accurately and without any double-counting or omissions. Where existing identified sources are not sufficient to meet the LPP1 requirement, sites are allocated in LPP2 to provide the 'remainder to be allocated'.
- 7.10. The 2015 Annual Monitoring Report provides a recent analysis of the various sources of supply and the sections above consider these in more detail. The only significant changes are:
- The promoters of the North Whiteley development expect it to proceed at a significantly faster rate than estimated in the AMR, with the Winchester North development expected to take slightly longer to build up towards peak output. All 3 strategic allocations are expected to be completed in the Plan period;

- the Police Headquarters site in Winchester now has consent for 208 dwellings so is likely to provide 86 dwellings less than the 294 previously consented. This was anticipated in the 2015 AMR trajectory and the 5-year land supply calculations, and can be accommodated without causing shortfalls in Winchester or at a District level;
- it is unlikely to be possible to implement existing consents for Silver Hill due to a High Court judgement, but the LPP2 allocation for the site remains appropriate (policy WIN4). The site is likely to deliver a similar level of housing over the Plan period although this is likely to be later than anticipated in the AMR;
- the rate of development on the LPP2 allocations is expected to be faster than expected in the AMR on about 1/3rd of the allocated sites/areas, with only one site (Silver Hill, see above) expected to be slower. Many sites now have planning applications or consents and are expected to provide the level of housing estimated within the Plan period.

7.11. Therefore, the evidence shows that each of the sources of housing supply is likely to be very secure and robust. Part of the District housing requirement has been completed and a further high proportion already has planning consent, only 4 years into the Plan period (31.3.15 base date) and 2 years after adoption of LPP1. The updated information suggests that the speed of delivery of the strategic allocations (as a whole) and many LPP2 sites is likely to be faster than anticipated.

7.12. The Inspector can, therefore, be confident that all of the LPP1 housing targets for spatial areas will be met and that significantly more than 12,500 dwellings will be delivered at the District level over the Plan period.

**Appendix 1 – ‘Rolling’ 5-Year Land Availability, LPP1 and LPP2**

**1A – LPP1 5 Year Land Supply (From ‘Stronger Market Conditions’ Scenario, Background Paper 1, June 2012)**

**Note: No ‘buffer’ included – 5% buffer = 5.25 years’ supply, 20% buffer = 6.0 years’ supply**

Year	Requirement	Projected annual completions	Cumulative Completions	Remaining Annual requirement	5 year requirement	Available supply	Years Supply
2011/12	11000	261	261	550	2750	2406	4.4
2012/13	10739	299	560	565	2826	3238	5.7
2013/14	10440	521	1081	580	2900	4274	7.4
2014/15	9919	568	1649	583	2917	4980	8.5
2015/16	9351	757	2406	584	2922	5452	9.3
2016/17	8594	1093	3499	573	2865	5843	10.2
2017/18	7501	1335	4834	536	2679	5843	10.9
2018/19	6166	1227	6061	474	2372	5351	11.3
2019/20	4939	1040	7101	412	2058	4766	11.6
2020/21	3899	1148	8249	354	1772	4243	12.0
2021/22	2751	1093	9342	275	1376	3542	12.9
2022/23	1658	843	10185	184	921	2606	14.1
2023/24	815	642	10827	102	509	1919	18.8
2024/25	173	517	11344	25	124	1433	58.0
2025/26	-344	447	11791	0	0	1072	N/A
2026/27	-791	157	11948	0	0	781	N/A
2027/28	-948	156	12104	0	0	624	N/A
2028/29	-1104	156	12260	0	0	468	N/A
2029/30	-1260	156	12416	0	0	312	N/A
2030/31	-1416	156	12572	0	0	156	N/A

**1B – LPP2 5 Year Land Supply (Based on 2015 AMR Trajectory, 2015/16 onwards)**

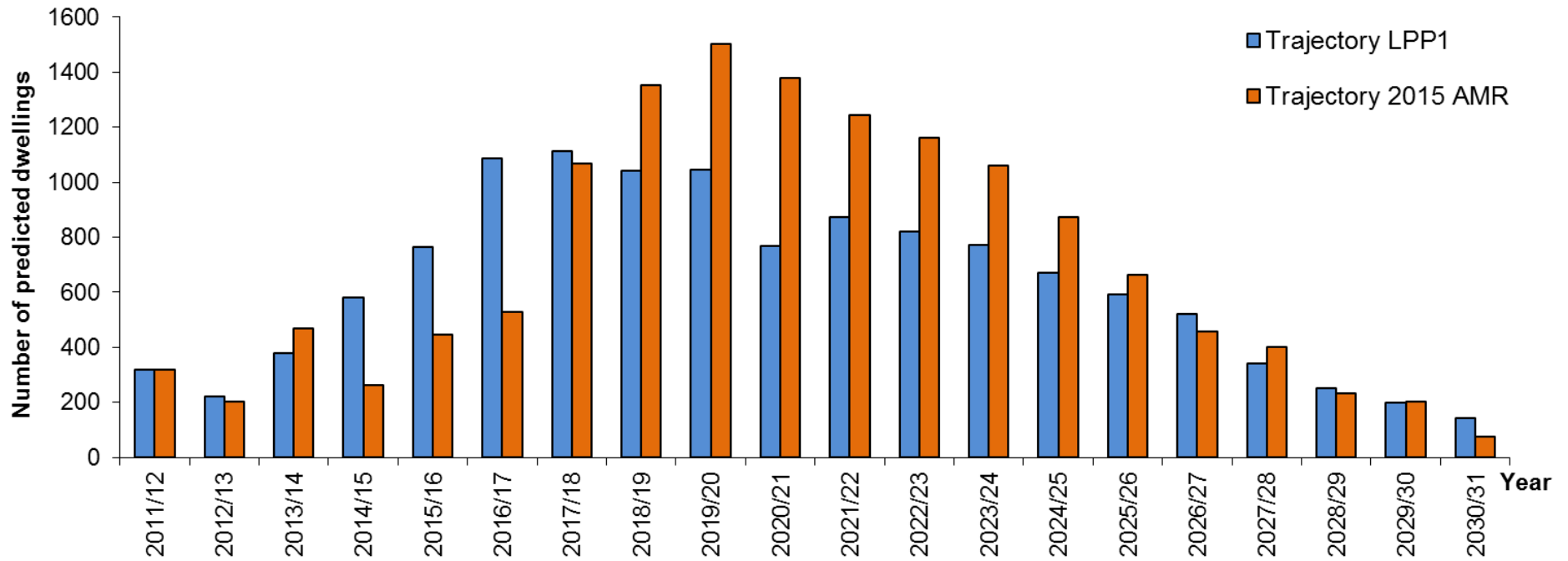
**Note: No 'buffer' included – 5% buffer = 5.25 years' supply, 20% buffer = 6.0 years' supply**

Year	Projected annual completions (2015 AMR)	Cumulative Completions (from Apr 2011)	Balance of 12,500 requirement	5 year requirement	5 year supply	Number of Years' Supply
Apr 2015 Position		1253	11247	3515	4895	7.0
2015/16	446	1699	10801	3600	5828	8.1
2016/17	528	2227	10273	3669	6545	8.9
2017/18	1067	3294	9206	3541	6639	9.4
2018/19	1351	4645	7855	3275	6348	9.7
2019/20	1503	6148	6352	2887	5717	9.9
2020/21	1379	7527	4973	2487	5003	10.1
2021/22	1245	8772	3728	2071	4216	10.2
2022/23	1161	9933	2576	1610	3456	10.7
2023/24	1060	10993	1507	1076	2630	12.2
2024/25	872	11865	635	529	1959	18.5
2025/26	665	12530	0	0	1371	N/A
2026/27	458	12988	0	0	913	N/A
2027/28	401	13389	0	0	512	N/A
2028/29	234	13623	0	0	278	N/A
2029/30	201	13824	0	0	77	N/A
2030/31	77	13901	0	0	0	N/A



**Appendix 2 – Winchester District Housing Trajectory – LPP1 and 2015 AMR**

**Winchester District Housing Trajectory LPP1 and AMR 2015**



### **Appendix 3 – LPP2 Site Allocations Delivery Update (March 2016)**

<b>LPP2 Policy Number</b>	<b>Estimated LPP2 Site Capacity</b>	<b>Application / Pre-app?</b>	<b>Viability Assessment?</b>	<b>Estimated Delivery</b>
BW1 Coppice Hill	80	No	Yes, as no application or pre-app	2019/20 – 2023/24 in AMR. Remains realistic based on informal pre-application discussions and viability appraisal.
BW2 Martin Street	60	Yes, full application for 61 dwellings etc submitted Dec 2015, ref: 15/02914/FUL	No (subject to earlier pre-app)	2017/18 – 2020/21 in AMR. Likely to be earlier as planning application now under consideration.
BW3 The Vineyard	120	Request for EIA screening opinion submitted Jan 2016, ref 16/00053/SCREEN	Yes, as no application or pre-app.	2018/19 – 2023/24 in AMR. May be earlier as EIA screening opinion now under consideration.
BW4 Albany Farm	120	EIA screening opinion submitted Sept 2014, ref 14/02223/SCREEN (decision: EIA not required)  Outline planning application for 120 dwellings etc submitted Jan 2015, ref 15/00053/OUT  Change of use planning application for open space submitted May 2015, ref 15/01097/FUL	No (subject to current applications)	2017/18 – 2022/23 in AMR. Remains realistic based on current planning applications.
BW5 Tollgate Sawmill	10	No	Yes, as no application or pre-app. Resulted in increased flexibility for residential	2025/26 – 2026/27 in AMR. Remains realistic based on informal pre-application discussions and viability appraisal.
CC1 Main Road	165	Outline planning application for 165 dwellings etc submitted Aug 2014, ref 14/01993/OUT	No (subject to current application)	2016/17 – 2020/21 in AMR. Remains realistic based on current planning application.
CC2 Clayfield Park	53 (56 included in	No	No (in SHLAA and allocated	SHLAA period 1 (2015-2020) and period 2 (2020-

	SHLAA)		at landowner's request)	2025). Remains realistic based on informal pre-application discussions.
KW1 Lovedon Lane	50	Full planning application for 50 dwellings, expansion of Eversley Park, etc submitted Jul 2015, ref: 15/01624/FUL (decision: approved Jan 2016)	No (subject to current application)	2016/17 – 2018/19 in AMR. Remains realistic based on planning consent.
NA2 The Dean	75	Full planning application for extra care scheme of 49 units, etc submitted Dec 2015, ref: 15/02944/FUL (relates to part of allocated land).  Pre-app for 27 dwellings submitted 2015 (relates to another part of allocated land).	Yes, as no application or pre-app (at the time). Resulted in increased capacity for residential	2019/20 – 2023/24 in AMR. Likely to start earlier as planning application (for 49 units) now under consideration.
NA3 Sun Lane	325	EIA screening opinion submitted Dec 2015, ref 16/00011/SCREEN	Yes, as no application or pre-app	2019/20 – 2026/27 in AMR. Remains realistic based on informal pre-application discussions and viability appraisal.
SW1 The Lakes	140	Full planning application for 91 dwellings, etc (on part of allocated land) submitted Jul 2015, ref: 15/01693/FUL (decision: resolved to approve Dec 2015 subject to S106)	Yes, as no application or pre-app (for whole site)	2017/18 – 2023/24 in AMR (in two stages with gap in 2020/21). May be earlier as resolution to grant planning consent (on first stage).
SW2 Lower Chase Rd	5	No	Yes, as no application or pre-app. Resulted in increased flexibility for limited residential	2019/20 in AMR. Remains realistic based on informal pre-application discussions and viability appraisal.
WC1 Morgan's Yard	60 (all included in SHLAA)	No	Yes, as no application or pre-app.	SHLAA period 2025-2030). Likely to be earlier based on informal pre-application discussions and developer

				involvement.
WC2 Clewers Lane	30	Full planning application for 30 dwellings, etc submitted Mar 2014, ref: 14/00685/FUL (decision: approved Jul 2015)	No (subject to current permission)	2017/18 – 2018/19 in AMR. Likely to be earlier as the development is now under construction.
WC3 Sandy Lane	60	Full planning application for 63 dwellings, etc submitted Dec 2015, ref:15/02765/FUL	No (subject to pre-app)	2018/19 – 2021/22 in AMR. Likely to be earlier as planning application now under consideration.
WC4 Forest Road	85	Full planning application for 81 dwellings, etc submitted May 2015, ref:15/01106/OUT (decision: resolved to approve Oct 2015 subject to S106)	No (subject to current application)	2016/17 – 2020/21 in AMR. Remains realistic as resolution to grant planning consent subject to S106.
WK2 Winchester Road	125	Full planning application for 100 dwellings, etc submitted Sept 2015, ref:15/01980/FUL (with separate application for 25 dwellings on adjoining site, ref: 15/01981/FUL)	No (subject to pre-app at the time)	2018/19 – 2022/23 in AMR. Remains realistic as planning application now under consideration, and taking account of drainage constraints.
WK3 The Glebe	80	Outline planning application for 82 dwellings, etc submitted Nov 2015, ref: 15/02523/OUT	No (subject to pre-app at the time)	2019/20 – 2022/23 in AMR. Remains realistic as planning application now under consideration, and taking account of drainage constraints.
SHUA1 Whiteley Green	75 (all included as large site commit's)	Former consent for 75 dwellings, replaced by temporary consent for primary school approved Mar 2013, ref: 12/02686/HCS	No (previous consent)	2023/24 – 2024/25 in AMR (large site commitments). Likely to be significantly earlier as replacement school to be provided as first phase of North Whiteley development.
WIN4 Silver Hill	307 (all included as large site commit's)	Full consent for 307 dwellings (including 20 live/work) approved 2009, ref: 06/01901/FUL  Full planning application for 184	No (viability covered by Development Agreement with developer)	2017/18 – 2021/22 in AMR (large site commitments). Likely to be later due to legal challenge over procurement issues (see 'Large Sites' above and Background Paper 3:

		dwelling, etc submitted Aug 2014, ref: 14/01913/FUL (decision: resolved to approve Dec 2014 subject to S106)		'Silver Hill')
WIN5 Station Approach	150 (128 included in SHLAA)	No formal pre-app, competitive dialogue underway with prospective architects.	No (viability addressed by Station Approach Development Assessment and competitive dialogue, which includes cost consultants)	SHLAA period 1 (2015-2020) for Carfax and period 2 (2020-2025) for Cattlemarket / Conservative Club. Remains realistic based on competitive dialogue progress, landowner aspirations and informal pre-application discussions.
WIN6 Carfax Site	0 (part of Station Approach, WIN5)	See Station Approach above	See Station Approach above	See Station Approach above
WIN7 Cattlemarket Site	0 (part of Station Approach, WIN5)	See Station Approach above	See Station Approach above	See Station Approach above
WIN8 Stanmore	150 (28 included as large and small site commit's, 35 included in SHLAA)	Full consent for 21 dwellings approved Apr 2015, ref: 14/01341/FUL (New Queens Head site).  Full consents for 9 dwellings (net gain of 7) approved Sept 2013, ref: 12/01634/FUL (96-112 Cromwell Road)	No (existing consents and broad area)	2015/16 in AMR (large site commitments), SHLAA period 1 (2015 – 2020) and period 2 (2020 - 2025), and 2020/21 – 2029/30 in AMR. Remains realistic based on existing consents, landowner aspirations and informal pre-application discussions.
WIN9 Abbots Barton	50 (14 included in SHLAA)	No	No (broad area)	SHLAA period 1(2015-2020) and period 2 (2020-2025), and 2018/19 – 2028/29 in AMR. Remains realistic based on landowner aspirations and informal pre-application discussions.
<b>TOTAL</b>	<b>2375</b>			