

STATEMENT FOR DAY 2 – Wednesday 31 October 2012

By Boyer Planning on behalf of Linden Homes Strategic Land

Questions (i) and (ii)

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Housing – General – Questions (i) and (ii)

We have prepared two statements for this session. This first statement responds to questions i) and ii) posed by the Inspector as these deal with interrelated issues. The second statement responds to questions iii) and iv) which are also interrelated.

- i) Is the overall number and the locations of new housing consistent with the JCS objectives and realistically deliverable within the plan period, taking into account the SHLAA and the opportunities identified, including in Winchester and other centres?**
- ii) Does the JCS demonstrate that there will be a deliverable supply of developable new housing land over the plan period, with suitable infrastructure provision, in accordance with the NPPF?**

We respond to these questions below under four key headings: 1) the overall number of new homes required 2) the locations for new housing 3) the deliverability of housing supply – District wide, 4) deliverability within the Plan's Spatial areas, and finally 5) overall conclusions.

1 Overall number of new homes required

We understand that the Council has made an assessment of its need for market and affordable housing and this is set out in its Housing Technical Paper (June 2011).

This assessment of housing requirements is based on Hampshire County Council projections which reflect the 2008 based sub national population projections (SNPP). These suggest an increase in population of 16,550 between 2011 and 2031, and an increase in dwellings of 11,000 (550 dwellings per annum).

We note that the NLP work for Cala Homes produces a very similar demographic projection, suggesting 556 dwellings per annum.

We have no reason to dispute this assessment at this time. However, the NPPF requires that the Local Plan "*meets the full, objectively assessed needs for market and affordable housing in the housing market area....*" (our emphasis). We therefore consider that the Council must assess, and the Plan must respond to, housing requirements within this wider market area if the Plan is to be found "sound" in terms of its consistency with national policy.

We consider that housing needs within the Winchester Town Spatial Area should be considered in the context of the Central Hampshire strategic housing market area. This Winchester Spatial Area logically forms part of the Central Hampshire market and is addressed in the Central Hampshire SHMA. The

Plan's South Hampshire Spatial Area, on the other hand, logically forms part of the South Hampshire Market Area.

2 The Locations for new housing and distribution

The Council's Housing Technical Paper, sets out ONS 2008 based SNPP projections for sub district areas using the Chelmer Model. These indicate the following levels of growth for the parts of Winchester District outside the PUSH area and outside the National Park (i.e. Winchester Town and part of the market towns and rural areas):

Population Change 2011 – 2031	9,850
Dwelling Change 2011 – 2031	6,550

Other than small scale development to meet the needs of the rural areas, this projection largely relates to Winchester itself and suggests significantly higher levels of housing at Winchester than the 4,000 dwellings proposed in the Plan.

The sub district projections for the PUSH area are as follows:

Population Change 2011 – 2031	5,050
Dwelling Change 2011 – 2031	3,350

This projection compares with the Plan's proposed 5,500 dwellings for the PUSH area and suggests significantly lower levels of housing within this area than proposed in the Plan.

These figures indicate a very significant mismatch between the sub area projections and the distribution of housing in the Plan. They would strongly suggest some redistribution of housing provision from the PUSH area to the Winchester area.

The Council's policy paper advises caution in using such sub district level projections on the basis that they *"take no account of the different policy context which applies in various parts of the District, or of the level and location of existing development commitments, the character and capacity of various areas, or the local needs for development"*.

However, these considerations tend to re-inforce rather than question the level of growth suggested by the sub-district projections and, significantly, the Technical Paper offers no alternative technical basis for its preferred distribution that would meet the "justified" test in paragraph 182 of the NPPF.

Paragraph 3.10 of the Plan (as amended) sets a requirement to positively address Winchester's development needs, including the following statement:

“Winchester is home to 36% of the District’s population and about 50% of the total District employment provision with significant patterns of in and out commuting due to the mismatch of workers and residents”

The Plan then, in the same paragraph, defines the reduction of commuting as one of the development needs to be positively addressed:

“The town experiences large daily commuting flows with about 18,000 commuting in and 10,000 commuting out”.

The proposed level of housing for the Winchester Spatial Area of 4,000 represents 36% of the District requirement of 11,000. As Winchester is home to 36% of the District’s population, the provision of only 4,000 dwellings will maintain the status quo rather than *“positively address”* the mismatch of workers and residents or the need to reduce commuting (as stated in para 3.10) or promote greater self-containment.

The Housing Technical Paper paragraph 9.5 acknowledges that:

“Winchester Town is the District’s main existing urban area and provides the best range of facilities, services, transport connections and a large employment base. It is, therefore, the most sustainable location within the District and is a suitable location for significant levels of housing,”

The Paper, however, argues against higher levels of provision at Winchester citing:

- The constraints on the town and its setting
- The presence of the National Park
- Conflict with the emphasis on promoting growth within the PUSH area

However, the constraints referred to do not affect the South Western side of the town.

The possible conflict with the emphasis on promoting growth within the PUSH area is a valid consideration, but as the level of housing proposed in the Plan for this area is 2,150 dwellings above the level suggested by its demographic projection, a limited re-distribution would help meet Winchester town’s needs without compromising the PUSH growth agenda.

Overall, we consider that policy objectives would support a higher level of provision at the Winchester Town Spatial Area, more consistent with these sub area projections particularly to reduce commuting, promote greater self-containment (by re-balancing the supply of jobs and homes) and providing more affordable homes.

We therefore consider that the 4,000 dwellings proposed by the Plan for the Winchester Spatial Area, fails to take account of the needs of the wider mid Hampshire market area of which it forms part, is a significantly lower level of

provision than the Chelmer sub area projections would suggest and fails to address both the need to rebalance homes and jobs within the town and the town’s acute need for affordable housing.

We would suggest that a redistribution of less than 10% of the proposed PUSH housing allocation to Winchester would begin to address the needs we have identified above. We would therefore suggest the following redistribution, as an interim measure, which is of a sufficiently small scale to be accommodated by modifications to the Plan without the need for further consultation or Sustainability Appraisal:

Winchester Town Spatial Area	4,500 dwellings
PUSH	5,000 dwellings
Market Towns / Rural Areas	1,500 dwellings

We consider that the current distribution is not justified, effective or consistent with national policy and this matter must be addressed if the Plan is to be found sound. We consider this can be achieved through modifications to the Plan but it is of sufficient importance to justify revision and resubmission.

3 Deliverability of Housing Supply – District wide

The requirement to identify a supply of specific deliverable sites is clearly set out in paragraph 47 of the NPPF.

Meeting this requirement is an important consideration in assessing whether the Plan is sound against the tests set out in paragraph 182 of the NPPF and particularly the “effective” test. This sets out that *“the Plan should be deliverable over its period and based on effective joint working on cross boundary strategic priorities”*.

The deliverability of the Plan’s housing supply is considered below.

The Supply of housing for the District as a whole over the Plan period is summarised in paragraph 5.9 of the Plan. We have, below, provided a more detailed breakdown based on the information provided in Supplement B (updated statistics) to Background Paper 1 “Housing provision, Distribution and Delivery” (hereinafter referred to as **Supplement B**):

Housing Requirement 2011 – 2031	11,000 dwellings
Completions 2011-12	317
Strategic Allocations	7,318
Sites with planning permission	1,626
SHLAA sites	766
Residual (Local Plan part 2 / windfalls)	973
Total Supply	11,000 dwellings

We consider that **strategic allocations, planning permissions, SHLAA sites and Local Plan Part 2 / windfall sites**, each require particular scrutiny to establish if the Local Plan provides a developable and deliverable supply of housing land. Each is considered in turn below:

Strategic Allocations

The Plan is proposing that 67% of its housing supply should be met on just three strategic sites. Within the Winchester Spatial Area, other than existing commitments and any potential from SHLAA sites and windfalls (considered below), the supply of homes will be limited to one site.

It is well established that the concentration of house building on one principal site in any location will limit the rate at which development takes place and the amount of housing that can be supplied because it:

- restricts choice and limits the market
- reduces scope to meet different needs, circumstances and preferences of potential occupiers
- reduces take up in terms of sales and lettings
- limits the number of house builders who are active in an area and the collective build rate.

Further, the concentration of supply in a small number of strategic sites amounts to a high dependence upon these sites to deliver within the timescale anticipated and at the required rate. The Plan is therefore particularly sensitive and vulnerable to any shortfall in the delivery from these sites. This is, to an extent, acknowledged by the Council.

Paragraph 5.12 of the Plan acknowledges that the strategic allocations have a long lead-in time and states that they need to be available at the earliest opportunity.

Background Paper 1 “Housing Provision, Distribution and Delivery” (para 6.55) states that an adequate land supply can be maintained in each year except at the very start of the Plan period and notes this is caused by the fact that the strategic allocations will take some time to achieve higher levels of delivery (although it defines this as a short-term issue).

The delay in the delivery of housing completions on the strategic sites is illustrated by the Council's housing trajectory which shows total projected completions well below the required level of 550 p.a. for the first 3 years of the Plan. The delivery of housing only gets back on track in the year 2016/17 when overall completions catch up with the Plan's housing requirement up to

that point in time. In practice, full output from the strategic sites is likely to be even further into the Plan period.

Strategic Allocation Site trajectories

According to the Council's housing trajectories for the strategic sites (Background Papers B5, B6 and B7-as amended), two of the strategic allocations (North Whiteley and Barton Farm) will together only deliver 200 dwellings in the first five years of the Plan period (2011 – 2016). First completions at North Whiteley are not expected until 2015/16 and this site will deliver only 50 dwellings in the first five years of the Plan.

The housing trajectory for Waterlooville is more advanced and the Council expect this to deliver 624 dwellings in the first five years.

Overall, according to the Council's figures, the strategic allocations will deliver 824 dwellings up to 2016 which amounts to just short of a 30% contribution to the plan's housing requirement in the first five years (compared with a planned contribution over the Plan period as a whole of 67%).

Any delay in the delivery of completions on the three strategic sites will lead to an extended shortfall in delivery for the Plan as a whole that will begin to affect the plan's medium term as well as short term supply.

These figures demonstrate the dependence of the Plan on delivery from these three strategic sites and confirm its vulnerability to any shortfall in the expected rate of delivery.

Delivering sufficient housing throughout the Plan period is essential and an important test of the Plan's deliverability (and therefore of whether it is sound).

We consider that the Plan must include measures to increase housing supply both to counterbalance the delay in the development of strategic sites and as a contingency against the possibility of further delay in the start and rate of development on these sites. The form these measures should take is considered in our separate statement responding to the Inspector's questions (iii) and (iv) for this session.

Planning Permissions

Updated figures for permissions are set out in the Supplement B paper. This identifies 1,409 dwellings on large sites with planning permission in the District of which 1,322 are said to be available. The Council therefore only discounts permissions by 6% as a result of its availability test which suggests an unusually high rate of availability.

In the case of small sites, the Supplement B paper identifies 314 dwellings on small sites with planning permission in the District of which 304 are said to be

available. This is a discount of only 3% for availability. The Inspector's report on the Barton Farm appeal states, at paragraph 335:

"I particularly share the concern about the small sites contribution in view of the way that the identification exercise was undertaken. The non-implementation rate of 3% also seems unusually low".

We consider that a 10% discount for non implementation would be a more realistic assumption. This would reduce the district-wide contribution from large sites to 1,268 and from small sites to 283, leading to an overall supply from permissions of 1,551.

SHLAA sites

The Supplement B paper identifies 766 SHLAA site completions within the District over the Plan period.

We consider that the SHLAA assessment of suitability, availability and achievability is incomplete and there is insufficient basis for judgment on many of the sites included. For this reason, we consider that the inclusion of SHLAA sites is not justified and that the Plan's land supply is not sound in these terms.

Further, we consider that the SHLAA sites included within the Plan's housing land supply, do not meet the requirements set out for deliverable and developable sites as defined in footnotes 11 and 12 to paragraph 47 of the NPPF. The inclusion of these SHLAA sites therefore fails the test of consistency with national policy as set out in para 182 of the NPPF.

We therefore conclude that unless there is a proper assessment of the suitability, deliverability and developability of the 766 dwellings recorded in the Plan's land supply from SHLAA sites, that this element be discounted from that supply.

Local Plan Part 2 / Windfall Sites

The NPPF requires "*compelling evidence*" for the inclusion of windfall sites in land supply on the basis that:

- Such sites have consistently become available in the local area (having regard to historic windfall delivery), and;
- Will continue to provide a reliable source of supply (having regard to expected future trends)

The Council's has not undertaken a full assessment of the second of these evidence base requirements. Its Background Paper 1 refers (at paragraph 6.47) to the Plan's more flexible approach to development in the smaller rural settlements but this has no bearing on windfall delivery in all other locations. Paragraph 6.47 also refers to the possibility of changes to existing settlement boundaries in the Local Plan Part 2 but this is a reference to an uncertain, plan-led change at some point in the future

and does not therefore meet the NPPF definition of windfalls as “*sites which have not been specifically identified as available in the Local Plan process.*”

We therefore consider that the Plan’s justification for the inclusion of windfalls in its housing land supply (as set on para 67 of Background Paper 1) does not meet the requirement for “*compelling evidence*” in the NPPF. This element of land supply is therefore unsound and will fail the “*justified*” test and the test of consistency with national policy unless further evidence can be brought forward.

We note that within the Plan’s assessment of overall supply, Windfalls and Local Plan 2 allocations are taken as the means to address the residual requirement after identifiable sources have been accounted for.

Taking account of our analysis above, we consider that land supply for the District as a whole is likely to be as follows:

Housing Requirement 2011 – 2031	11,000 dwellings
Completions 2011-12	317
Strategic Allocations	7,318 (subject to there being no further delay in their delivery)
Sites with planning permission	1,551
SHLAA sites	0
Total Supply	9,186 dwellings

This would represent a shortfall of over 1,800 dwellings and the Plan would rely on windfalls (assuming compelling evidence of potential and actual delivery) or Local Plan Part 2 allocations to bridge the gap.

4 Deliverability of Housing Supply – Spatial Areas

Our particular concern is the Plan’s inability to demonstrate a deliverable housing land supply within the Winchester Spatial Area. Paragraph 3.13 of the Plan provides the following limited information on land supply within this area:

Housing Requirement	4,000 dwellings
Sites with planning permission and SHLAA sites	1,200
Barton Farm strategic allocation	2,000

This assessment identifies a shortfall of 800 dwellings. In relation to this, para 3.13 of the Plan simply states:

“These assessments will be updated and it is expected that some additional capacity will be identified either within the existing boundary of the Town or on small sites

adjoining it, which may result in 2,000 dwellings being developed within the Plan period” (our emphasis).

This does not demonstrate that there will be a deliverable supply of developable new housing land over the plan period within the Winchester Town Spatial Area.

We have assessed housing land supply within the Winchester Spatial area to try to put a little more detail on the assessment in paragraph 3.13 of the Plan, as follows:

Housing Requirement	4,000 dwellings
Completions 2011-12	not specified
Sites with planning permission*	1,112
SHLAA sites	291
Barton Farm strategic allocation	2,000

* based on figures in Background Paper 1

This calculation leaves a shortfall of just under 600 dwellings.

We have already raised concerns about the deliverability of the Council’s figures for strategic sites, planning permissions and SHLAA sites under the heading “**Deliverability of Housing Supply – District wide**” above. We have further concerns about these issues in relation to the Winchester sub area.

In relation to the **strategic site** of Barton Farm, we note that this is expected to provide 2,000 dwellings (50% of the total requirement) over the Plan period but will provide only 150 dwellings in the first five years (i.e. 15% of the requirement for this period). This places a great deal of emphasis on the deliverability of other sources of supply within these early years of the Plan.

Beyond the first five years of the Plan period, housing provision within the Winchester Town Spatial Area is dependent upon Barton Farm achieving and sustaining the rate of completions indicated in the housing trajectory for the site. However, the rate of development on this site cannot be precisely determined and will depend on the commercial interests of the developer and market take-up, which is likely to be more limited when new housing provision is concentrated in just one location. This demonstrates the disadvantage of relying on a single major site to deliver a high proportion of the spatial area’s housing requirement.

The Council’s assessment of **planning permissions** in the Winchester Spatial area indicates that 991 of 993 permitted dwellings are judged to be available and we are concerned that this is unrealistic (indicating a picture of near 100% availability).

Of the 20 **SHLAA** sites within the settlement boundary of Winchester, included within the Appendix C Site Assessments, seven are recorded as having unknown interest in developing. Also, there is a limited and incomplete

assessment of both suitability and achievability within the Appendix C assessment of these 20 sites.

The Inspector's report on the Barton Farm appeal states, at paragraph 334:

WCC has accepted that several of the SHLAA sites may be over estimates in the light of decisions made after the SHLAA base date of July 2010.

We therefore consider that SHLAA sites should not be included in the housing supply of the Winchester Spatial Area as to do so would not be justified and would fail this test of the soundness of the Plan.

In the light of these concerns about the absence of information on land supply within the Winchester Town Spatial Areas and an inability to demonstrate sufficient deliverability from the strategic site, planning permissions and SHLAA sites, we consider there is a significant shortfall in the housing supply for the Winchester Spatial Area, significantly greater than the shortfall of 600 dwellings that the Council's own figures indicate. We consider how this shortfall should be addressed in our response to the Inspector's questions (iii) and (iv) for this session.

In the absence of remedial action to demonstrate deliverability, we conclude that the Plan is not sound in these terms as it does not meet the test of "*justified*", "*effective*" or "*consistent with national policy*" set by para 182 of the NPPF.

5 Conclusions on questions (i) and (ii)

We consider that the distribution of housing is not justified and represents an inadequate response to the needs of the Winchester Town Spatial Area, based on both demographic projections and the Plan's own spatial priorities and objectives for the town, particularly to reduce commuting and achieve a better balance between homes and jobs.

The fundamental requirements of land supply are not properly addressed for either the District as a whole or the Winchester Town Spatial Area and the plan cannot demonstrate a deliverable supply of developable new housing land over the plan period.

This places emphasis on the possible form of remedial measures that can be taken to bring forward additional housing land to ensure the Plan is sound. These measures are considered in our response to the Inspector's questions (iii) and (iv) below.

Boyer Planning
12 October 2012