

Gosport Borough Local Plan 2011-2029

Statement on Issues and Questions

Issue 1.1

The Council have accepted that the quantum of housing given in policy LP3 is less than that derived from the South Hampshire SHMA. Does the evidence demonstrate that the Council's approach is justified?

Date: 6th February 2015



GOSPORT
Borough Council

Introduction

- 1.1 The Gosport Borough Local Plan 2011-2029 (GBLP) (Submission Library-LP/A1/1) identifies in Policy LP3: Spatial Strategy that the GBLP will make provision for 3,060 net additional dwellings representing 170 dwellings per annum (dpa). This is significantly lower than the figure outlined in the latest South Hampshire Strategic Housing Market Assessment (SHMA) (LP/E7/3) which in Appendix U (Table 19 on page 51) (LP/E7/3a) identifies a specific figure for the Borough of 445 dpa which would amount to 8,010 dwellings over the Local Plan period. This would therefore represent a shortfall of 4,950 dwellings between the estimated SHMA figure and the figure identified in the GBLP. However the Council considers that there is sufficient justification of the approach set out in the GBLP. The reasons for the approach including a summary of supporting evidence are set out in this response.

Key reasons to justify the Council's approach

- 1.2 The Council has produced a Housing Background Paper (June 2014) (LP/E1/8) which was made available at the time the Publication version of the Local Plan was published for comment in July 2014. The following sections in this Paper are particularly relevant to the question:

- Section 2 : Paragraphs 2.29-2.31 relating to Housing Policy of the PUSH South Hampshire Strategy (2012)
- Section 3: Paragraphs 3.10-3.23 which deals specifically to the evidence relating to the overall quantum of objectively assessed needs;
- Section 3: Paragraphs 3.31-3.37 which considers the existing known housing supply; and
- Section 5 which provides a detailed consideration of the key issue comparing the objectively assessed need identified in the SHMA and the overall quantum set out in the GBLP.

- 1.3 In order not to repeat the contents of Background Paper, this response will summarise the key elements and supplement this with any additional information which may have come available since July 2014 or where further clarification is required, particularly in the light of representations made to the Publication version of the GBLP.

- 1.4 The key points that help justify the Council's approach are as follows and are set out in more detail later in this response:

- **Existing cooperation amongst South Hampshire authorities:** The GBLP housing figure is based on a collaboratively-derived figure, working in cooperation with neighbouring authorities as part of the Partnership of Urban South Hampshire which produced the South Hampshire Strategy in 2012 (Submission Library LP/D1/1);
- **Housing supply issues:** The GBLP housing figure takes into account the available housing sites in the Plan period which are developable through evidence including the Strategic Housing Land Availability Assessment (SHLAA) (Submission Library LP/E7/1);

- **The need to consider shortfall on a strategic basis not local basis:** The magnitude of the shortfall between the GBLP figure and SHMA is so significant that this figure will not be delivered and that this need is required to be met on a sub-regional basis through PUSH on a strategic basis as part of an early review of the South Hampshire Strategy;
- **The need to understand the SHMA evidence study in context:** It is important to recognise particular caveats relating to the SHMA which the consultants themselves have identified;
- **Presumption in favour of development:** The level of housing identified in the GBLP is not a ceiling and there is a presumption in favour of development so as sites do come available which are not known at present they would be granted subject to the normal development control policies in the Local Plan.

2.0 Existing cooperation amongst South Hampshire authorities:

- 2.1 The figure of 3,060 is derived from the PUSH South Hampshire Strategy (2012) which has been developed in close co-operation by the PUSH authorities¹. It identified a figure of 170 dpa for Gosport Borough over the period 2011-2026 and the Council used this figure for the additional three years of the GBLP to derive the figure of 3,060 dwellings.
- 2.2 As stated in the Background Paper (further details are set out in paragraphs 5.12-5.25) the 2012 South Hampshire Strategy represented a reduction in the overall figure from the original South Hampshire Strategy in the now revoked South East Plan. However the Borough Council increased its housing allocation from 125 dpa to 170dpa.
- 2.3 It is important to note that three of the four local authorities (Fareham Borough, Havant Borough and Portsmouth City) that make up the Eastern Housing Market Area based on Portsmouth have adopted Core Strategies in place. These include allocated housing figures based on those included in the 2012 South Hampshire Strategy. Havant Borough also now have their site allocations document adopted which was examined after the publication of the NPPF.
- 2.4 This therefore leaves little scope for Gosport Borough at this stage in the plan-making process to negotiate such large amounts of housing (as identified by the SHMA) to be located in these districts. Instead as identified in Section 4 below these issues need to be addressed in cooperation with the PUSH partners as part of a strategic review of the South Hampshire Strategy.

¹ PUSH includes East Hampshire District Council, Eastleigh Borough Council, Fareham Borough Council, Gosport Borough Council, Hampshire County Council, Havant Borough Council, Isle of Wight Council, New Forest District Council, Portsmouth City Council, Southampton City Council, Test Valley District Council and Winchester City Council. The 2012 South Hampshire Strategy did not include the New Forest District Council area (which has since re-joined PUSH) nor the Isle of Wight.

3.0 Housing supply issues

- 3.1 It is clear from the SHLAA and the analysis in the Background Paper (5.36-5.46) that the current known supply of potential housing land beyond that identified in Table 6.2 of the GBLP (page 30) is limited and would not address the magnitude identified by the SHMA. Instead the SHLAA identified an additional 590 dwellings (see Appendix 1 of the SHLAA ² (p42)) that could become available which are neither currently deliverable nor developable but could come forward during the Plan period. Such sites are likely to be granted permission if the proposals meet the criteria of the development control policies outlined in the GBLP.
- 3.2 Table 6 and Figure 1 of the Background Paper (p28-30) identify large tracts of land in the Borough which for various reasons are unavailable for development. This highlights why it is currently difficult for the Borough to meet the SHMA objectively assessed need figure.
- 3.3 Additional large housing sites beyond those identified in the Local Plan are only likely to be available should there be significant land releases by major landowners, particularly the Ministry of Defence.
- 3.4 Importantly Gosport Borough currently has a five year housing supply when assessed against the annual requirement of the South Hampshire Strategy (see Box 1 of Background Paper p16).

4.0 The need to consider shortfall on a strategic basis not local basis

- 4.1 Paragraph 47 of the NPPF states that local planning authorities should ensure that their Local Plan meets the full, objectively assessed need for market and affordable housing in the housing market, as far as is consistent with the policies set out in the NPPF. As identified above it is clear that the Borough cannot meet the objectively assessed needs identified in the SHMA and consequently in such circumstances the Council would need to liaise with neighbouring authorities. As also highlighted above, due to the sheer quantum of the shortfall in Gosport and the stage other authorities have reached in the plan-making process it would be impractical in terms of timing and inappropriate due to scale, to accommodate this level of housing in neighbouring authorities outside of the sub-regional strategy review process. This process will seek to allocate the most sustainable and appropriate sites for major development.
- 4.2 The Background Paper identifies (Table 4 (p24)) that the PUSH authorities already meets almost 91% of its objectively assessed need, although this is reduced to approximately 85% when considering the latest phasing for Welborne settlement north of Fareham.³ This is a new settlement of 6,000 dwellings which is meeting housing need on a sub-regional basis (see paragraphs 5.8-5.10 of the Background

² The 590 is derived by adding the potential total supply of those sites site that are suitable (Green) but that are currently not available nor achievable (red)

³ Due to re-phasing of the development the latest figures for Welborne over the period to 2026 is 2,860 dwellings rather than 6,500 dwellings (a fall of 3,640 dwellings during the South Hampshire Strategy plan period) see pages13-17 of Schedule of Main Modifications to the Welborne Plan Submission Version (Jan 2015)
http://www.fareham.gov.uk/planning/new_community/welborneplanmodifications.aspx

Paper). This current sub-regional shortfall will therefore need be considered as part of the review of the South Hampshire Strategy.

4.3 PUSH as a whole has therefore recognised that the implications of the SHMA findings on objectively assessed needs has meant it is necessary to prompt an immediate review of the South Hampshire Strategy and that the current shortfall and the required allocation for a roll-forward to 2036 would certainly need to be addressed at a strategic sub-regional level considering a number of issues:

- the most appropriate locations for major strategic residential development and the need to secure appropriate infrastructure to meet the needs of the sub-region;
- the mix of brownfield and greenfield development;
- the implications of economic objectives identified by the Solent Local Enterprise Partnership in its Solent Strategic Economic Plan (LP/E4/17)
- infrastructure opportunities and constraints;
- major environmental considerations such as flooding and internationally and nationally important habitats; and
- the provision of the most suitable green infrastructure provision.

4.4 In March 2014 the PUSH Joint Committee (LP/D4/1) which includes the Leaders of each local authority have agreed to commence a review of the South Hampshire Strategy and that this would be programmed to be completed for 2016. This Review would take into account the latest objectively assessed needs with revised population, household and economic forecasts. The Review is now already underway (see Submission Library LP/D4/1a and LP/D4/1b).

4.5 In response to the PUSH position the Council has now formally set out its timetable for an early review of the GBLP and this is set out in the latest Local Development Scheme (LP/A4/11) which was approved by the Council in November 2014. The Review of the GBLP will consider the implications of the wider strategic work and where required lead to changes in particular policies including a review of its residential allocation.

5.0 The need to understand the SHMA evidence study in context:

5.1 The Council accepts the principles of the findings of the PUSH SHMA (Jan 2014) undertaken by GL Hearn and is working with the PUSH authorities to consider the identified shortfalls and the roll-on to 2036. This work is being undertaken as part of the current review of the South Hampshire Strategy as outlined above. It is acknowledged that the SHMA uses the methodology outlined by the Government and the Council is satisfied with the approach taken by the consultants.

5.2 As part of informing the PUSH South Hampshire Review process, and informing those authorities preparing Local Plans, the consultant made a number of reasonable and considered comments regarding the limitations of the SHMA process. These are detailed paragraphs 5.7- 5.11.

- 5.3 Firstly however it is important to address a comment made by the HBF (Rep8) which implied that the Council does not support the PUSH SHMA and that it is trying to follow its own approach. This is not the Council's position and it is necessary to recognise that Gosport Borough Council is an integral element of PUSH and is continuing to work closely with the other authorities on taking the SHMA and other evidence forward as part of the South Hampshire Review.
- 5.4 The HBF refers to the study, '*Analysis of Objectively Assessed Need in the light of the 2012-based Sub National Population Projections*' (JG Consulting July 2014) (LP/E7/4) and implies that this has informed the GBLP's housing figure and represents a non-collaborative approach. Instead this work was commissioned by the Council following a briefing made by GL Hearn to the PUSH authorities which identified that the latest Government sub-national population projections (SNPP) for 2012 had become available after the publication of the PUSH SHMA and that these were the first figures which fully takes account of 2011 Census. The SHMA was based on the 2011 sub-national population projections and therefore did not fully take into account the more up-to-date information of the latest Census. The 2012 SNPP projects less population growth across the PUSH area as a whole, although slightly stronger population growth in Havant, Portsmouth and Southampton.
- 5.5 Consequently in order to understand the latest position, the Council commissioned JG Consulting to analyse this data using the same SHMA methodology. JG Consultancy are the same analysts used by GL Hearn for the SHMA. This was considered a reasonable and proportionate approach as the Council wanted to have an understanding of the implications of these latest figures particularly as it related to one of the key issues of the Local Plan. Without such figures the Council could be accused of not having an up-to-date evidence base on this issue.
- 5.6 In this instance the latest figures do show that the objectively assessed need based on the same demographic methodology as the SHMA would be lower at 297dph rather than 445dph (Paragraph 8 (p2) of the JG Consulting report). The shortfall is still large (a shortfall of 2,286 dwellings) and a magnitude that the Borough cannot meet during the Plan period. A summary of the results are contained in Paragraphs 3.20 and 3.21 of the Background Paper. It is also worth noting that these revised figures⁴ would reduce the overall objectively assess need across the South Hampshire Market Areas from 62,400 identified in the SHMA to 57,285 (2012 sub-national based figures). This would mean that the South Hampshire Strategy was accounting for 98.9% of the figure based on the latest demographic projections. Again this figure is reduced when taking into account the re-phasing of the Welborne development to 92.5%. Consequently these aspects will need to be considered on a sub-regional basis taking into account the latest demographic projections.

⁴ This uses a combination of reports relating to the analysis of objectively assessed housing need in light of 2012-based subnational population projections prepared for Gosport Borough Council (LP/E7/4) and an equivalent report for the Southampton HMA for Eastleigh Borough Council http://www.eastleigh.gov.uk/pdf/ppi-H1A_JGC%20Study_Housing_need.pdf

- 5.7 These lower figures for Gosport are not the main objectively assessed figures used for comparison purposes with the GBLP figure. Instead these figures highlight that there may need to be further consideration of the overall PUSH objectively assessed need figure as part of the South Hampshire Review together with other policy aspirations and economic objectives.
- 5.8 GL Hearn recognise a number of issues relating to the identification of objectively assessed needs and that the SHMA should be a starting point to derive policy across the sub region through a process of cooperation to review the South Hampshire Strategy. This review would need to consider what scale of development can be sustainably accommodated; the interaction between the strategy for housing provision and economic growth; and the potential for affordable housing delivery. The SHMA Report adds that ultimately how housing provision is distributed across the PUSH area as a whole should reasonably be decided at the local level through dialogue between the authorities in PUSH, taking account of: constraints and availability; the need to promote sustainable patterns of development; and other policy aspirations such as regeneration (Paragraph 11.26 of the SHMA).
- 5.9 The SHMA is very clear that this robust evidence study is an objective analysis that takes no account of land supply or development constraints within the PUSH area; nor does it take account of policy aspirations for economic growth. The SHMA is simply following the methodology included in the Planning Practice Guidance on 'Housing and Economic Development Needs Assessments (Paragraphs: 014-29 Reference ID: 2a-014-20140306).
- 5.10 The SHMA specifically recognises (Paragraph 1.26 of Appendix U of the SHMA) that in some districts that when the annual need is aggregated over the Plan period it would result in housing land requirements that cannot be met within that district. It adds that in Gosport apart from the sites that have already been identified for development, physically there is a very limited amount of land that would be available for development notwithstanding other policy constraints and infrastructure requirements.
- 5.11 The SHMA is also very clear that the objectively assessed needs on a district-by-district basis need to be used with caution (Paragraph 1.25-1.27 of Appendix U of the SHMA). This is particularly relevant as these figures are influenced, and project forward to some extent previous policies which in particular impact on levels of migration. For example past relative housing delivery has been stronger in Gosport than almost all of the other PUSH authorities and that this influences the projections. In Gosport this growth has been influenced by the significant release of former MoD land onto the market.
- 5.12 Related to the issue regarding the use of SHMA's, the Minister of State for Housing and Planning, Brandon Lewis MP, has recently written to the Chief Executive of the Planning Inspectorate (19th December 2014) (see Appendix 1) regarding the existing policy position on SHMA's. The Minister states that SHMA's are just the first stage in developing a Local Plan and councils can take account of constraints which indicate

that development should be restricted. As stated above the availability of land is clearly a constraint in Gosport Borough.

- 5.13 The letter adds that the extent of constraints will be justified on a case by case basis for each Local Authority depending on particular local circumstances within a housing market.
- 5.14 The Minister recognises the importance of SHMA's including those prepared jointly with their neighbours and that where appropriate this will prompt councils to consider revising their housing requirements in their Local Plans. He adds that the Government would expect councils to actively consider this new evidence over time and where, over a reasonable period they do not, Inspectors could justifiably question the approach to housing land supply. In the South Hampshire context the SHMA figures have already prompted an early review of the South Hampshire Strategy and that this will result in early reviews of the relevant Local Plans. As identified above the figures identified for Gosport need to be addressed on that sub-regional basis and considered as part of the South Hampshire Review.
- 5.15 The letter acknowledges that the outcome of the SHMA is untested and should not automatically be seen as proxy for a final housing requirement in Local Plan and that it does not immediately or in itself invalidate housing numbers in existing Local Plans.
- 5.16 The Council considers that it has considered the SHMA evidence together with environmental and other constraints, as advocated in the letter. It will also continue to cooperate with neighbouring authorities to meet needs across the housing market as evidenced by the South Hampshire Strategy in the now revoked South East Plan and the revised South Hampshire Strategy (2012). These Plans led the PUSH authorities to deliver a genuine collaborative and co-operative approach to housing delivery in the South Hampshire region and amongst other things has led to the allocation of a new settlement at Welborne which meets the needs of the wider sub-region.

6.0 Presumption in favour of development:

- 6.1 The Council has not refused planning permission for a residential housing scheme on the basis that a proposal would lead to the Borough exceeding its housing requirement, as set out in a relevant development plan (identified in Table 1). In this regard it has operated a policy in favour of development within the urban area subject to the detailed development management policies of the relevant development plan.
- 6.2 Policy LP1 of the GBLP has a presumption in favour of development and therefore should additional sites come forward during the Plan period these will be granted planning permission subject to the normal development control criteria. As identified in the SHLAA the Council consider that there is a known potential for at least 500 dwellings to come forward should landowners wish to release sites for development and/or particular constraints are overcome (which are considered achievable). In addition there may be more land releases by the MOD which would also increase supply. However taking these additional sites into account these are not of the

magnitude to meet the objectively assessed needs identified by the SHMA, but the point is clear that the figure in LP3 is not a ceiling to development.

- 6.3 As identified in the SHMA (ref) over the decade 2001-2011 housing stock growth has been strongest in Gosport out of all the PUSH authorities with a growth of 12.7% compared with a PUSH average (core authorities) of 8.7% and a national average of 8.3%.
- 6.4 Table 1 demonstrates rates of housing delivery in the Borough as compared to the requirement set out in the relevant development plan and/or sub-regional strategy. This clearly shows that the Borough's completion rate has out-performed the identified requirement over the medium-long term and that when sites are brought forward by developers subject to other policy considerations they are granted planning permission and delivered. For example the Borough delivered 47% more dwellings than required in the former Hampshire County Structure Plan 1996-2011; and 13% more dwellings are being completed than required by the current Gosport Borough Local Plan Review 1996-2016.

Table 1: Comparison of housing requirements for Gosport Borough set out in various Plans with actual completions

Relevant Plan	Annual requirement for Gosport Borough in Plan	Dwelling requirement as set out in Plan	Cumulative Requirement (from base year of Plan to year specified)	Cumulative net completions (from base year of Plan to year specified)	% Difference between cumulative requirement and cumulative net completions
Hampshire County Structure Plan 1996-2011(Review)	198.6	2,980	2,980 (2010/11)	4,377 (2010/11)	+47%
Gosport Borough Local Plan Review 1996-2016	234	4,680	4,212 (2013/14)	4,758 (2013/14)	+13%
Original South Hampshire Strategy included in SE Plan 2006-2026	125	2,500	1,000 (2013/14)	1,612 (2013/14)	+61%

Current South Hampshire Strategy 2011-2026	170	2,550	510 (2013/14)	381 (2013/14)	-25%
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6.5 It is noted however that during the period of the current South Hampshire Strategy (i.e. since April 2011) there has been an under-provision by 25%⁵ this is largely due to the fact that currently demolitions at the Rowner Renewal (Alver Village) site (a major regeneration site with an eventual net gain of 200 dwellings) (Policy LP7) is outstripping completions. This is clearly demonstrated by Table 2. That said in the first two years of the South Hampshire Strategy plan period (i.e. 2011/12 to 2012/13) the net housing completions was 22% over the cumulative requirement highlighting the scale of demolitions in the third year of the Plan period.

Table 2: Total net and gross housing completions in Gosport from 2011-2014

Year	Net completions	Cumulative net completions	Gross completions	Cumulative requirement
2011/2012	339	339	347	170
2012/2013	75	414	194	340
2013/2014	-33	381	78	510
Total	381	-	612	-

7.0 Conclusion

7.1 In conclusion the Council will continue to support housing development in the Borough as suitable sites become available. It is clear that the quantum of development set out in Policy LP3 is significantly less than that identified in the South Hampshire SHMA. The Council contends that there are very strong and persuasive reasons of firstly why this figure cannot be met in the Borough (limited supply of land); and secondly that whilst much of this need is being met in the wider sub-region, the remaining shortfall needs to be considered as part of the review of the South Hampshire Strategy. This review is already underway and is programmed to be adopted in 2016 and Gosport Borough is an integral part of this process.

7.2 It is considered that the Council has demonstrated that in this particular instance there are justifiable and reasonable grounds of why the housing figure outlined in the GBLP is an appropriate figure and why the magnitude of development proposed in

⁵ Please note that this figure has been adjusted from the -23% figure included in Paragraph 5.52 of the Background Paper as the figure was calculated on the basis of 391 completions rather than the correct figure of 381 completions.

the SHMA is not achievable. In addition the Council has cooperated with its neighbours to identify a housing figure agreed at a sub-regional level as part of the South Hampshire Strategy 2012 and will continue to work closely with its neighbours to address the shortfall identified by the SHMA and the roll-forward to 2036.

Appendix 1: Letter from Brandon Lewis MP, Minister of State for Housing and Planning to Chief Executive of the Planning Inspectorate (19th December 2014)



Brandon Lewis MP
Minister of State for Housing and Planning

Department for Communities and Local Government
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2 Marsham Street
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SW1P 4DF

Simon Ridley
Chief Executive
The Planning Inspectorate
Temple Quay House
2 The Square
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www.gov.uk/dclg

19th December 2014

Dear Simon,

Strategic Housing Market Assessments

I am writing to ensure our existing policy position on emerging evidence in the form of Strategic Housing Market Assessments is clear.

We have set out in our recent guidance that a Strategic Housing Market Assessment is just the first stage in developing a Local Plan and councils can take account of constraints which indicate that development should be restricted (http://planningguidance.planningportal.gov.uk/blog/guidance/housing-and-economic-land-availability-assessment/stage-5-final-evidence-base/#paragraph_045).

The extent of constraints will be justified on a case by case basis for each Local Plan, depending on particular local circumstances, within a housing market area.

Many councils have now completed Strategic Housing Market Assessments either for their own area or jointly with their neighbours. The publication of a locally agreed assessment provides important new evidence and where appropriate will prompt councils to consider revising their housing requirements in their Local Plans. We would expect councils to actively consider this new evidence over time and, where over a reasonable period they do not, Inspectors could justifiably question the approach to housing land supply.

However, the outcome of a Strategic Housing Market Assessment is untested and should not automatically be seen as a proxy for a final housing requirement in Local Plans. It does not immediately or in itself invalidate housing numbers in existing Local Plans.

Councils will need to consider Strategic Housing Market Assessment evidence carefully and take adequate time to consider whether there are environmental and policy constraints, such as Green Belt, which will impact on their overall final housing

requirement. They also need to consider whether there are opportunities to co-operate with neighbouring planning authorities to meet needs across housing market areas. Only after these considerations are complete will the council's approach be tested at examination by an Inspector. Clearly each council will need to work through this process to take account of particular local circumstances in responding to Strategic Housing Market Assessments.

As you are aware, the Secretary of State can recover appeals, for example where he considers that they raise issues of national importance. This is important to support the application of relevant policies at national level.

A handwritten signature in black ink, appearing to read 'Brandon', with a long horizontal flourish extending to the right.

BRANDON LEWIS MP