



Head of Planning Policy  
Gosport Borough Council  
Town Hall  
High Street  
Gosport  
PO12 1EB

2 July 2015

Dear Sir / Madam

**GOSPORT: SCHEDULE OF MAIN MODIFICATIONS TO THE PUBLICATION  
VERSION OF THE GOSPORT LOCAL PLAN**

Thank you for consulting with the Home Builders Federation (HBF) on the Main Modifications to the Gosport Local Plan.

The HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing.

**We would like to submit the following representations and we would welcome the opportunity to participate in any hearings if it is considered necessary to have these as part of the on-going Examination in Public.**

**MM2**

MM2 is unsound. The Modification is unsound because the Council's approach is contrary to national planning policy as set out in the NPPF and the positively prepared test in paragraph 182.

The duty to cooperate and meeting the OAN through joint working

The HBF remains concerned that the Council is continuing to argue that the duty to has been satisfied by virtue of the preparation of the South Hampshire Strategy 2012. This is wrong. As we have argued in our representations and at the hearings, the South Hampshire Strategy 2012 is a strategy that uses the SEP figures as the basis for the housing targets (and even then it reduced the housing targets downwards from the targets provided in SEP). The South Hampshire Strategy 2012 does not provide an NPPF compliant foundation for planning upon which Gosport Council can legitimately argue that the duty to cooperate has been discharged. There is no South Hampshire Strategy to address Gosport's unmet need – an unmet need which has become evident as a consequence of this examination of this new local plan prepared under the auspices of the NPPF.

A new South Hampshire Strategy may be produced in time, but it has not been produced yet. It has not been produced to inform this round of NPPF-based local plan making. Until it has been devised and signed-off by the constituent authorities, the Gosport local plan is unsound because there is no material plan (material as opposed to vague aspirations) to address the Borough's unmet housing need. The plan, therefore fails the positively prepared test of the NPPF.

The South Hampshire Strategy 2012 can be accorded no weight as part of planning for the new round of NPPF local plans. Because there is no South Hampshire Strategy that resolves the new NPPF-related issues – such as Gosport's unmet need – it cannot be cited as evidence of the duty being discharged. It is of no use in resolving the problem of accommodating the OAN that Gosport is unable to provide for.

#### Identifying Gosport's objectively assessed needs

I am afraid that the HBF cannot support the main modification in terms of what it says about not being able to identify the OAN for Gosport. What is being proposed is directly contrary to national policy. It neglects a fundamental aspect of the NPPF: the requirement of the Council to identify its objectively assessed need for housing and then to prepare a plan to meet that need in full. The HBF is extremely concerned about the signal that will be set as a consequence of the erroneous notion that it is only possible to identify the OAN at the sub-regional PUSH level, but not to identify what the OAN is for Gosport itself.

Paragraph 14 of the NPPF requires for Local Plans to meet objectively assessed needs with sufficient flexibility to adapt to rapid change.

Paragraph 47 of the NPPF requires that local planning authorities prepare an evidence base to ensure that their local plan meets the full, objectively assessed needs for market and affordable housing in the housing market area.

Paragraph 182 requires that the plan should be prepared based on a strategy which seeks to meet objectively assessed development requirements.

The Council must state what its OAN is in the plan. This is quite distinct from its housing requirement which is a capacity constrained figure (see Gallagher Estates Ltd v Solihull MBC, 2014, paragraph 94). It is quite clear from the evidence assembled that the OAN for Gosport is higher than what can be accommodated physically. For the record, it is important that this local plan identifies what that OAN figure is. We consider that the PUSH SHMA 2014 has identified the OAN figure for Gosport. The SHMA assesses a need for 415 dpa for Gosport as set out in the appendix V (page 56 tabulates the various results for Gosport). This is derived from the 2012 Sub National Population Projections. We consider that the PUSH SHMA 2014 provides a relatively robust assessment of the needs of Gosport and the other PUSH authorities and uses consistent assumptions albeit the HBF has reservations about the SHMA including the particular scenario alighted upon as being representative of the OAN. The HBF has previously expressed its concern that the housing supply is not aligned with Gosport's employment needs.

The revised text in MM2 implies that the overall OAN cannot be disaggregated to constituent borough levels. This is not strictly true since the SHMA provides a disaggregation in appendix V. However, even if the Council was right in its argument that that the PUSH SHMA 2014 aggregated figure is unreliable and should not be used in plan-making, it would still be obliged to identify an OAN for Gosport itself in order to advance its local plan.

It is quite feasible to identify an OAN for Gosport. The Government produces official household and population projections at local administrative level. The PPG advises that the official DCLG household projections should serve as the starting point when assessing district needs. All the last three official DCLG household projections indicate a basic demographic need of around 400 households per annum for the period 2011-2029. These are figures that are broadly consistent with the PUSH SHMA 2014 findings (415 dpa based on the 2012 SNPP). The latest DCLG 2012 Household Projections signal a baseline demographic need for 333 households per annum. This is lower than the previous household projections but still much greater than the proposed housing requirement. Therefore clearly, the planned provision of 170 dpa is only about half of what is needed using the basic demographic need as a benchmark let alone the other possible adjustments for employment needs and market signals.

Providing half of what is needed will have severe consequences for affordability in the borough and the achievement of the Council's employment objectives as we discussed previously in our response to GBC 4 of April 2015 and at the hearings.

The plan must identify what the OAN is for Gosport. The plan cannot be considered to be sound one until it has satisfied this fundamental requirement of national planning policy. The wording in MM2 that Gosport "*does not have an entirely distinct housing need*" is incorrect and is an assertion that is contrary to national planning policy.

As we have argued before, Gosport can agree with its neighbours a sub-regional strategy whereby others (probably Fareham subject to it being willing) will increase

supply in their own areas in order to accommodate Gosport's unmet need. However, until the time that this strategy is agreed and finalised Gosport Council is not excused from identifying its OAN as part of preparing its own local plan. If a new South Hampshire Strategy had been agreed that used the PUSH SHMA 2014 figures as the basis for the OAN and then apportioned the overall need among the ten authorities, and it was agreed that 170 dpa was Gosport's share of the overall need, then it would be acceptable for Gosport to advance a plan now and this would be a sound strategy in terms of planning for housing. However, Gosport cannot say that it does not know what its OAN is. It cannot leave this to the new South Hampshire Strategy to identify. This is to neglect a key element of the new NPPF-based planning system.

The *Gallagher Estates v Solihull Metropolitan Borough Council* legal judgement helped to clarify the central importance of local planning authorities understanding their own OAN. We refer the Council to paragraphs 93-100 of that judgement. To assist we will quote the following short passages:

*"...neither the Solihull Local Plan nor the Inspector made any objective assessment of full housing need, in terms of numbers of dwellings."* (para.93)

*"The Inspector...was required to assess, fully and objectively, the housing need in the area."* (para. 99).

*"the Inspector unfortunately failed to grapple with this important issue of housing need...When the report is read as a whole, far from full objectively assessed housing need being a driver in terms of the housing requirement target – as the NPPF requires – it is at best a back-seat passenger. Nowhere is the full housing need in fact objectively assessed."* (para. 100).

The reasoning of the inspector considering Eastleigh's Local Plan is consistent with the Gallagher judgement. There the inspector concluded that without the higher tier PUSH strategy having been agreed yet, Eastleigh could not delay the matter of identifying its own OAN. As the inspector said in paragraph 8 of his preliminary conclusions (which the HBF provided with its statements):

*"to progress a local plan a Council needs to determine the needs within its area."*

The Gosport Local Plan must be supported by a clear understanding of what the OAN is for Gosport. We consider that the disaggregated local authority figures provided in appendix V the PUSH SHMA 2014 serve as a useful starting point.

## Summary

MM2 does not clarify what the OAN is for Gosport itself. This is not explicitly stated in the local plan or the Main Modifications. The comment in MM2 makes it clear that Gosport Council does not consider it feasible to identify an OAN figure for Gosport. This is troubling because this is so clearly contrary to national policy. The Council continues to maintain erroneously that it is not obliged to say precisely what the OAN

is because the PUSH SHMA 2014 only considers the OAN in aggregate. MM2 maintains this misreading of the NPPF.

This is a major flaw. It is essential that the plan clearly articulates what the OAN is. The local plan should be clear about the size of the unmet need. This will help inform the preparation of new South Hampshire Strategy and help guide the other local planning authorities of the HMA who will need to prepare plans that will address the shortfall in Gosport. This is necessary so that the latter part of the text of MM2 that refers to the role of the South Hampshire Strategy in relocating the Gosport unmet need to other districts is effective.

The HBF considers that the local plan must be amended to include the following:

*“...This SHMA identifies an objectively assessed housing need for the PUSH area and the constituent authorities. This will be the starting point for identifying housing requirements. The PUSH SHMA 2014 identifies that Gosport’s OAN is for 415 dpa. The plan is unable to accommodate this housing need in full. It is only able to provide 170 dpa. Consequently there is a shortfall of 245 dpa.”*

The following parts of the modified text should be deleted:

*“Gosport is not a separate housing market in itself so arguably does not have an entirely distinct district housing need. However, to the extent that there can be an objectively assessed housing need specifically for Gosport...”*

These should be deleted because these are statements that run counter to the NPPF.

The underlying principle behind ‘Localism’ is for councils to take responsibility for their actions. By providing only 170 dpa the evidence in the PUSH SHMA 2014 suggests Council will not be providing anywhere near its full housing needs. This will have severe social and economic consequences for its residents, especially poorer households who will be priced-out of the Borough by more affluent in-comers.

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