

Housing Background Paper

Gosport Borough Local Plan 2038 Consultation Draft
(Regulation 18)

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GOSPORT
Borough Council

CONTENTS

PART A: INTRODUCTION AND POLICY CONTEXT	3
1. INTRODUCTION	3
2. POLICY CONTEXT	8
PART B: PROPOSED QUANTUM OF HOUSING: OBJECTIVELY ASSESSED NEEDS, STANDARD METHOD AND SUPPLY	16
3. EVIDENCE	16
4. CONSIDERATION OF ISSUES.....	41
PART C: TYPE AND MIX OF HOUSING.....	44
5. EVIDENCE	44
6. CONSIDERATION OF ISSUES.....	50
Appendix A	52

PART A: INTRODUCTION AND POLICY CONTEXT

1. INTRODUCTION

- 1.1. This document is the Background Paper for Housing produced to bring together key information to facilitate understanding of the Consultation Draft Gosport Borough Local Plan 2038.
- 1.2. The Background Paper for Housing sets out the relevant national, regional and local policy context for all housing issues in Section 2 of Part A.
- 1.3. Part B of the Background Paper for Housing sets out the proposed quantum of housing in the plan period set out in the emerging Local Plan and how this relates to the latest Strategic Housing Market Assessment (SHMA) for South Hampshire and the Government's Standard Method. Part B sets out a summary of the evidence and a consideration of key issues relating to housing supply.
- 1.4. Part C of the Background Paper for Housing summarises the key consideration of the specific housing issues including size, type, tenure and proportion of affordable housing. Part C sets out a summary of the evidence and consideration of key housing issues.
- 1.5. The Background Paper for Housing specifically supports the following draft policies in the Consultation Draft Gosport Borough Local Plan 2038:
 - H1: Sustainable Residential Neighbourhoods
 - H2: Affordable Housing
 - H3: Housing for Older and Vulnerable People
- 1.6. These are set out below for reference.

POLICY H1: SUSTAINABLE RESIDENTIAL NEIGHBOURHOODS

1. The appropriate density of residential development will be informed and assessed by:

- **The need to maximise the efficient use of scarce land resources;**
- **The character and mix of uses of the area in which it is located taking into account local townscape, protected trees and heritage assets;**
- **Level of accessibility in terms of walking, cycling and public transport; and**
- **The need to minimise environmental and amenity impacts**

Indicative built densities for different areas are set out in Table 3 but the criteria above may indicate that a different density is appropriate. Where the proposed built density falls below that specified the applicant will be expected to provide supporting information justifying the density proposed. Applications that, on balance of considerations, either fail to make efficient use of land or propose an excessively high density for its context, will be refused.

2. New residential development should contribute towards meeting the need for a mix of housing as set out in Table 4 with the aim of delivering mixed, balanced and sustainable neighbourhoods. Account will need to be taken of the:

- **Strategic Housing Market Assessment (or any subsequent revision);**
- **Detailed Local Housing Market Assessments (where applicable);**
- **Current and future demographic studies and profiles;**
- **Locality and ability of the site to accommodate a mix of housing; and**
- **Market signals and local housing market trends.**

Applications that, on balance of considerations, fail to provide a suitable mix of housing will be refused.

3. The regeneration and renewal of existing housing estates, or larger sites partly comprised of housing estates, will continue to be promoted to ensure that high quality new housing and site environments are provided in line with the principles of sustainable neighbourhoods set out in Point 1 above. In redeveloping existing housing estates opportunities to improve public open spaces, provide new or improved community facilities and alternative modes of transport, and create opportunities for employment will be taken where appropriate.

4. Proposals for self and custom build housing, to be occupied as homes by those individuals, will be supported by the Council where they are in conformity with all other relevant local and national policies. On sites with 40 or more non-flatted market dwellings site promoters should provide at least 2.5% of plots as self-build plots.

POLICY H2: AFFORDABLE HOUSING

- 1. The Borough Council will seek 40% affordable housing on residential developments of 10 dwellings or more. Provision should be made on-site in the first instance. In exceptional circumstances the Council will consider a financial contribution being negotiated to make up the full requirement as appropriate. In all cases where proposals fall short of the policy target an open-book approach will be taken and the onus will be on the developer/ landowner to clearly demonstrate the circumstances justifying a lower affordable housing contribution. The Council will seek to negotiate a percentage of affordable housing as close as possible to the target level having regard to a site-specific viability assessment.**
- 2. In determining applications with affordable housing the Council will assess the site size, suitability and type of units to be delivered in relation to the current evidence and the local site context. The Council will seek an appropriate tenure mix of affordable housing to include social rented, affordable rent, intermediate rent and shared ownership affordable units.**
- 3. Affordable housing proposals should also take account of the following considerations:**
 - a) Dwellings provided should be fully integrated into the development;**
 - b) In phased housing developments, site promoters will be expected to provide details of the affordable housing provision in each phase, including the number and type of affordable housing to be provided;**
 - c) All affordable housing contributions should be secured in perpetuity through a planning obligation; and**
 - d) Site promoters may not circumvent this policy by artificially subdividing qualifying sites.**

POLICY H3: HOUSING FOR OLDER AND VULNERABLE PEOPLE

- 1. A positive approach will be taken towards housing proposals that seek to meet the needs of an aging population and increased needs for those with disabilities. Provision will be made for the following quantum of specialist housing for older or disabled people:**
 - Up to 500 homes with support (Class C3 sheltered housing or retirement living);**
 - Up to 500 homes with care (Class C2 or C3 enhanced sheltered and extra-care housing);**
 - Up to 750 residential care bed-spaces (Class C2 nursing care).**
- 2. The Council will take a positive approach to the provision of specialist residential accommodation for younger people who are vulnerable and/or disabled.**

3. All development for specialist accommodation for older, disabled and vulnerable people should satisfy the following criteria:

- a) The site is accessible by residents by public transport;**
- b) Buildings compatible in height, scale and massing with the local townscape character;**
- c) Well-designed and healthy internal living environments with positive use of internal circulation and shared spaces;**
- d) Layouts should maximise natural light and ventilation;**
- e) Access to private balconies and suitably designed private or semi-private open spaces; and**
- f) Suitable provision for ambulance access, visitor parking and storage.**

2. POLICY CONTEXT

National Planning Policy and Guidance

- 2.1. The Government's key planning document is the National Planning Policy Framework (NPPF), the 'Framework'. The latest iteration of the Framework was published in July 2021.
- 2.2. The Framework is supplemented by a website based resource, the national Planning Practice Guidance (PPG) which includes more detailed guidance on the policy areas set out in the Framework. The PPG is updated by the Department of Housing, Communities and Local Government on a regular basis.

National Planning Policy Framework

- 2.3. Paragraph 1 sets out that locally prepared plans for housing and other development can be produced within its framework. Paragraphs 7 and 8 confirm that the purpose of the planning system is to contribute to the achievement of sustainable development with overarching economic, social and environmental objectives. Paragraph 11 sets out a presumption in favour of sustainable development where for plan-making strategic policies should as a minimum provide for objectively assessed needs for housing unless strong reasons or demonstrable adverse impacts restrict the extent of planned growth.
- 2.4. Section 3 (Plan-making) sets out (Paragraph 15) that the planning system should be plan-led and that succinct and up-to-date plans should provide a vision for the future of each area and a framework for housing (and other priorities). Paragraph 20 sets out that strategic policies should set out an overall strategy for the pattern, scale and quality of development including housing and affordable housing (criterion a). Paragraph 33 confirms that relevant strategic policies will need updating at least once every five years if the local housing need figure has changed significantly and earlier if need is expected to change significantly in the near future. Paragraph 34 sets out plans should include required levels and types of affordable housing provision.
- 2.5. Section 5 (Delivering a sufficient supply of homes) sets out the Government's planning for housing strategy. Key guidance on housing relevant to Gosport includes:
 - To support significantly boosting the supply of housing a sufficient amount and variety of land can come forward and that the needs of groups with specific housing requirements are addressed (Paragraph 59)
 - Strategic policies should be informed by local housing need assessment unless exceptional circumstances apply (Paragraph 60)
 - In addition to the local housing need figure any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for (Paragraph 60)

- The size, type and tenure of housing for different groups in the community should be assessed and reflected in policies (Paragraph 61)
 - Policies should specify the type of on-site affordable housing required and set out justified exceptions (Paragraph 62)
 - With major development policies should expect at least 10% of the homes to be available for affordable home ownership (Paragraph 64)
 - Strategic policy-making authorities should establish a housing requirement figure for their whole area which shows the extent to which their identified housing need (and those needs that cannot be met within neighbouring areas) can be met over the plan period (Paragraph 65)
 - Strategic policy-making authorities should have a clear understanding of the land available in their area through the preparation of a strategic housing land availability assessment and from this should identify a sufficient supply and mix of sites taking into account availability, suitability and viability, for various 5 year periods (Paragraph 67)
 - Small and medium sized sites can make an important contribution to meeting housing requirements. Local Planning Authorities should work proactively to support their delivery (Paragraph 68)
 - Compelling evidence should be provided where an allowance for windfall sites is part of the supply (Paragraph 70)
 - Local Planning Authorities should support the development of entry-level exception sites (Paragraph 71)
 - Strategic policies should include a trajectory illustrating the expected rate of housing delivery over the plan period. Local Planning Authorities should identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their housing requirement in strategic policies (Paragraph 73)
- 2.6. Section 7 (Ensuring the vitality of town centres) sets out that housing is a suitable use within town centres (Paragraph 85). Paragraph 92 criterion w confirms that planning policies should ensure an integrated approach to the location of housing and services.
- 2.7. Section 11 (Making effective use of land) sets out that planning policies should promote and support the development of under-utilised land and buildings especially if this would help to meet identified needs for housing where land supply is constrained and available sites could be used more effectively (Paragraph 118 criterion d). Paragraph 121 sets out that Local Planning Authorities should also take a positive approach to applications for alternative uses of land which is currently developed but not allocated for a specific purpose in plans where this would help to meet identified development needs including new housing. Paragraph 122 sets out planning policies should support development that makes efficient use of land taking into account the identified need for different types of housing and the availability of land suitable for accommodating it.
- 2.8. Paragraph 123 sets out that where there is an existing or anticipated shortage of land for meeting identified housing needs it is especially important that planning policies and decisions avoid homes being built at low densities and ensure that developments make optimal use of the potential of each site.

Plans should contain policies to optimise the use of land in their area and meet as much of the identified need for housing as possible. Minimum density standards should be included in centres and places well served by public transport and which should seek a significant uplift in the average density of residential development within these area unless strongly deemed inappropriate.

- 2.9. Section 12 (Achieving well-designed places) sets out guidance on the creation of high quality buildings and places including residential development.
- 2.10. Annex 1 (Implementation) Paragraph 217 sets out the Government will continue to explore with individual areas the potential for planning freedoms and flexibilities where this would facilitate an increase in housing that can be delivered. Annex 2 (Glossary) sets out definition of affordable housing, build to rent, deliverability (in terms of housing), Housing Delivery Test, local housing need, housing for older people, permission in principle, self-build and custom-build housing.

Planning Practice Guidance

- 2.11. The PPG includes a number of detailed elements relating to housing including land availability assessment, needs assessment, needs of different groups, brownfield registers, build to rent, housing for older and disabled people, optional technical standards, supply and delivery, permission in principle, self-build and custom housebuilding and starter homes.

Regional Context

- 2.12. The formulation of the Local Plan takes account of the work undertaken at the sub-regional level by a consortium of South Hampshire local authorities, including Gosport Borough Council, which came together to form the Partnership for Urban South Hampshire (PfSH) (formerly PUSH). The PfSH local authorities recognise the benefits of working together to support the sustainable economic growth of the sub-region and to facilitate the strategic planning functions necessary to support growth. PfSH has a dedicated website which publishes reports and papers.

Partnership for Urban South Hampshire Spatial Position Statement

- 2.13. PfSH completed a Spatial Position Statement (SPS) in June 2016 which set out the overall need for and distribution of development, including housing development, in South Hampshire to 2034¹. The SPS forms a significant part of the statutory duty to co-operate that Councils have with each other and will inform the preparation of Local Authority local plans within the Partnership area. The SPS replaces the South Hampshire Strategy (2012) and its associated evidence which looked to 2026.

¹ www.push.gov.uk/work/planning-and-infrastructure/push-position-statement/

- 2.14. The SPS is focused on achieving a renaissance of larger urban areas including Gosport, protecting the environment and coordinating infrastructure including transport and proposes development targets for individual Councils in the PfSH area. The need for new homes is informed by the PfSH Strategic Housing Market Assessment (SHMA), which analyses demographic and migration trends to establish the overall need for new homes across South Hampshire. New residential development will be focused on existing urban areas first, and is then distributed according to environmental, transport and other infrastructure factors.
- 2.15. The SPS sets out (Paragraph 2.7) that how the sub-region accommodates new housing is a particular challenge and that new housing is needed because average household sizes are falling as people are living longer, and to support a growing population and sub-regional economy. The SPS is also clear that as housing markets operate across local authority boundaries it is appropriate for local authorities to work together to consider these issues.
- 2.16. Section 3 of the SPS (Key Issues) identifies five key issues: housing need, the Solent's economy, transport and accessibility, South Hampshire's environment and flooding. Paragraph 3.3 highlights the key demographic changes and projections including the strongest population growth in the last 13 years being in the 60+ age group and a projected increase in the PfSH area of 186,000 people (+15.6%) to almost 1.4m by 2036. Paragraph 3.4 confirms that the PfSH area includes three separate housing market areas (HMAs): Isle of Wight, Southampton and Portsmouth. Gosport Borough is wholly within the Portsmouth HMA².
- 2.17. An update to the objectively assessed housing need was published in June 2016 which took account of the latest demographic evidence from 2013-14 mid-year population estimates and revised employment forecasts³. The SPS (Paragraph 3.6 and Table 1, p.14) confirms that the updated evidence sets out a need to deliver 121,500 homes over the period 2011-2036 across South Hampshire and the Isle of Wight. The objectively assessed housing need for 2011-2036 for Gosport Borough is 8,375 dwellings. This equates to 6.9% of the total for the PfSH area and 16.9% of the total for the Portsmouth HMA area⁴.
- 2.18. Section 4 of the SPS sets out the Vision and Objectives. The Vision Statement (Paragraphs 4.2 and 4.3) is:

“delivering sustainable, economic-led growth and regeneration to create a more prosperous, attractive South Hampshire & Isle of Wight offering a better quality of life for everyone who lives, works and spends their leisure time here”

² South Hampshire Strategic Housing Market Assessment 2014

³ Oxford Economics for the Solent Local Enterprise Partnership

⁴ The Portsmouth HMA area includes all of Portsmouth, Havant and Gosport, the East of Fareham, and parts of East Hampshire and Winchester

- 2.19. Paragraph 4.3 confirms that the delivery of housing, inter alia, underpins the vision for growth and regeneration.
- 2.20. Paragraph 4.4 sets out PfSH four key ambitions:
- sustainable economic growth;
 - bringing benefits to local communities;
 - protecting our natural environment; and
 - good quality places to live and work.
- 2.21. Access to homes and their affordability is identified as a major challenge and PfSH state that they want to improve this in the area (Paragraphs 4.10-4.11).
- 2.22. Paragraph 4.17 sets out a number of 'key spatial principles'. Of specific relevance to housing delivery, under '*bringing benefits to local communities*' the SPS sets out (emphasis added) that *supporting a balance of housing sites to widen choice and support delivery* and under '*good places to live and work*' the SPS sets out (emphasis added) that *providing a good range and mix of homes*, inter alia, are both key spatial principles.
- 2.23. Section 5 of the SPS sets out the Spatial Approach which was informed by four distinct strategic concepts for development: dispersed growth, anchor cities, integrated city region and new settlement. The SPS confirms that it draws elements from each of the concepts and has evolved through an iterative process of testing informed by Sustainability Appraisal (SA) and Habitats Regulations Assessment (HRA).
- 2.24. Paragraph 5.4 sets out that the SPS seeks to maximise development, including housing, within urban areas and promoting regeneration. There should also be an emphasis on higher density housing development in urban centres. Paragraph 5.11 sets out that small and medium-sized residential development sites will be brought forward through local plans alongside strategic development with the objective of contributing to overall housing delivery.
- 2.25. Paragraphs 5.19 and 5.28 set out that Gosport is already a heavily built-up and densely developed urban area constrained by natural environments and the Solent and Portsmouth Harbour and has limited potential for further growth. Only small amounts of Ministry of Defence landholdings may be released for development.
- 2.26. Paragraphs 5.21 to 5.32 summarise the SPS strategy for housing development. Paragraph 5.24 confirms that PfSH local authorities have worked together in developing the Position Statement with each working to consider a range of sources of additional realistic potential supply of land for housing including land which is not subject to over-riding constraints to development. Paragraph 5.25 confirms a major need for new homes and that the SPS seeks to maximise higher density urban growth in the cities and main towns where possible but caveated with environmental, social and economic constraints. Paragraph 5.31 sets out local authorities in the PfSH area

recognise a need to continue to investigate opportunities to maximise development potential to help minimise the remaining gap including working cooperatively to explore options for public sector land releases which are a main sources of development potential.

- 2.27. SPS Position Statement H1 (Housing Distribution) sets out provision will be made for at least 104,350 net additional homes across South Hampshire and the Isle of Wight over the 2011-2034 plan period, of which 3,350 new homes will be in Gosport Borough. Of the total provision, around 50% will be met by homes completed or on sites which already have planning permission or are identified in existing Local Plans and that an additional 22% (22,957 dwellings) can be met on additional urban sites. Consequently 72% of the overall provision of new homes is already planned for and/or can be delivered in urban areas. In advance of the more detailed considerations of an area's development capacity that will come through the local plan-making process the housing targets should be treated as a minimum. Local authorities should actively seek opportunities to identify additional potential for housing provision to address the shortfall against the objectively assessed need.
- 2.28. Paragraph 5.34 confirms that considerations of planning for housing issues such as housing mix, typologies, affordable housing and housing for specific needs and demographic change should be addressed in local plans.
- 2.29. The SPS (Paragraphs 5.36-5.38) sets out that it seeks to bring forward a portfolio of sites in the PfSH area for housing including Strategic Development Locations (SDL) with the intention of:
- focussing development at locations which are accessible by sustainable means of transport or have the potential to be made accessible;
 - supporting delivery of major new infrastructure
- 2.30. The South Hampshire Strategy 2012 identified Welbourne (North of Fareham) as a SDL and substantial planned development at West of Waterlooville, North Whiteley, Portsmouth and Southampton. Eastleigh Borough is also identified for potential growth subject to significant infrastructure investment.
- 2.31. SPS Position Statement SDL1 (Strategic Development Locations) identifies SDL's for mixed-use to 2034, including Gosport Waterfront.
- 2.32. To support the SPS the PfSH has published a number of supporting evidence studies related to housing need. This includes (all GL Hearn):
- South Hampshire Strategic Housing Market Assessment 2014
 - Objectively Assessed Housing Need Update 2016
 - Rates of Housing Delivery 2016
- 2.33. Each of these studies is reviewed with respect to the implications for housing delivery in Gosport in Part B of the Background Paper.

Emerging PfSH work

- 2.34. In the light of the Government's Standard Method the PfSH authorities have started work on a revised sub-regional planning statement which will also function as a statement of common ground between the partners. This will include a consideration of the revised housing figures for each local authority and an assessment of potential sites to meet this requirement by 2036 with a wider planning vision covering the period to 2050.

Solent Local Economic Partnership

- 2.35. The Solent Local Economic Partnership (SLEP) is the key interface and lead for economic development in the Solent. It is a partnership organisation between the business community, the Further Education and Higher Education sector, three unitary authorities, five district councils and one county council, all of whom are actively working together to secure a more prosperous and sustainable future for the Solent area. The SLEP area is anchored around the Isle of Wight, the two cities of Portsmouth and Southampton, the M27 corridor and the Solent waterway.
- 2.36. The SLEP published a Gosport Infrastructure Investment Plan (GIIP) in February 2019. The GIIP was prepared by Lichfield's for the SLEP. It presents an infrastructure investment plan for Gosport Borough in order to identify future economic infrastructure needs of the Borough taking into account Ministry of Defence (MOD) sites currently anticipated to be released for development in the emerging Local Plan period. The GIIP identifies the key infrastructure investments required to unlock and/or accelerate the delivery of new housing (and employment land).

Local Planning Policy

Gosport Borough Local Plan (2011-2029)

- 2.37. The Gosport Borough Local Plan (2011-2029) (October 2015) (the 'Local Plan') sets out the current adopted planning strategy for the area. The Local Plan is the key part of the statutory Development Plan for Gosport and it replaced the saved policies of the Gosport Borough Local Plan Review (2006). The Local Plan provides the basis for more detailed guidance to be set out in other parts of the Local Development Scheme including both thematic, design and place specific Supplementary Planning Documents (SPD).
- 2.38. Local Plan Policy LP3 (Spatial Strategy) makes provision for 3,060 net additional dwellings (170 per annum) in the plan period. Previously developed land within the urban area is the focus for new development, including housing, and primarily delivered through four identified mixed-use regeneration areas: Gosport Waterfront and Town Centre, Daedalus, Haslar Peninsula and Blockhouse, and Rowner. Each regeneration area is supported by a specific Local Plan policy (LP4-7). Additional smaller-scale residential

allocations outside the regeneration areas are set out in Local Plan policy LP9D (Allocations outside the Regeneration Areas – Residential Sites).

- 2.39. Section 11 (Creating Quality Neighbourhoods) of the Local Plan sets out a Vision for creating quality neighbourhoods. The Vision states that there will be a variety of high quality housing types that meet the needs of the local community including a range of affordable housing. Housing will be well designed with good accessibility to public transport and services.
- 2.40. Local Plan Paragraph 11.7 summarises the key housing issues:
- Continual demand for a range of housing to meet local needs at each stage of life and meet the requirements of the increasing number of households;
 - Further affordable housing is required to meet local needs;
 - The increasing ageing population requires that there is appropriate and sufficient housing and care facilities;
 - New housing has an important role in contributing towards the regeneration of the Borough;
 - New residential development should be at an appropriate density and located on sites which are accessible, or can be made accessible, to public transport and local services;
 - Dwellings are required to be well-designed and meet sustainable construction principles; and
 - The Borough has areas of ageing housing stock which need to be refurbished or redeveloped to meet modern housing standards.
- 2.41. Local Plan Policy LP24 (Housing) sets out policy requirement with respect to housing mix, affordable housing, effective and efficient use of land, accommodation for the ageing population and improvement of housing stock. Local Plan Policies LP25 and LP26 address park homes & residential caravans, and Gypsies, Travellers and Travelling Show people respectively.

Gosport Council Plan

- 2.42. The Council Plan sets out a Mission Statement – build on our strengths to empower and support our communities and ensure the potential of the Borough and all of our residents is achieved. Five supporting strategic priorities are identified where the Council wishes to focus efforts to achieve the mission including ‘empower our residents’. The Council Plan sets out that in order to support residents to live safe and healthy lives, helping them to build resilience and achieve their potential, quality affordable housing will be provided.

PART B: PROPOSED QUANTUM OF HOUSING: OBJECTIVELY ASSESSED NEEDS, STANDARD METHOD AND SUPPLY

3. EVIDENCE

Evidence Studies Overview

i. South Hampshire Strategic Housing Market Assessment

- 3.1. The latest South Hampshire Strategic Housing Market Assessment (SHMA) (GL Hearn January 2014) has been commissioned by the PUSH authorities to gain an up-to date understanding of the objectively assess housing needs of the South Hampshire housing market in order to inform the review of the South Hampshire Strategy.
- 3.2. The SHMA has defined the extent of the relevant housing market area covering the PUSH area and then considered the objectively assessed need for housing within them. The report has considered the overall need for housing, the need for different types of homes and the housing needs for different groups within the community in line with the requirements of the NPPF.
- 3.3. The SHMA provides a ‘policy-off’ assessment of future housing requirements with the intention that this will inform future development of planning policies across the sub-region and its constituent local authority areas. The SHMA does not set policy targets for housing provisions. The implications of the SHMA are considered below in relation to each of the key housing issues.

ii. Objectively-Assessed Housing Need Update (April 2016)

- 3.4. The Partnership for Urban South Hampshire (PUSH) commissioned GL Hearn to develop a Spatial Strategy for the PUSH Area to 2036. The Spatial Strategy will identify housing targets for constituent parts of the PUSH Area, drawing together evidence regarding housing needs, with assessment of land availability and the potential to sustainably accommodate new development over the period to 2036. This report – the Objectively-Assessed Housing Need Update (April 2016) (OAHNU) – provides an assessment of housing need⁵.
- 3.5. The OAHNU is undertaken on a “policy off” basis, as required by national policy/ guidance. This provides a *starting point* for considering future housing targets – which are derived by bringing together evidence of need, with understanding of land availability, development constraints and what can be sustainably accommodated in different parts of the PUSH Area. This report updates the work set out in the PUSH SHMA Final report (January 2014) although certain sections including the Housing Market Area analysis remain accurate.

⁵ www.push.gov.uk/work/planning-and-infrastructure/push-position-statement/

iii. Demographic Projections, September 2019, JG Consulting

3.6. A Demographic Projection Study (JG Consulting) was undertaken in 2019 on behalf of Gosport Borough Council in order to develop a series of demographic projections for a range of different potential housing delivery scenarios in the Borough. The study also provides a high-level review of the need for affordable housing and the appropriate mix of housing along with studying the projected growth in older person and specialist housing.

iv. Gosport Strategic Housing Land Availability Assessment (2021)

3.7. A Strategic Housing Land Availability Assessment (SHLAA) was produced in June 2014 in accordance with national planning guidance. A revised and updated SHLAA was produced in 2021.

3.8. The 2021 SHLAA is a key component of the evidence base to support the delivery of sufficient land for housing in the Borough. It is an important source to inform plan-making, but does not in itself determine whether a site should be allocated for housing development. The primary role of the SHLAA is to:

- Identify sites with potential for housing;
- Assess their housing potential; and
- Assess when they are likely to be developed

3.9. The 2021 SHLAA aims to:

- Identify sufficient specific deliverable sites to deliver housing over the next five years. To be deliverable a site must be available, in a suitable location and be achievable; and
- Identify a supply of specific developable sites for a further ten years. To be considered developable a site must be in a suitable location with a reasonable prospect of being available and viably developed at some point in the future.

3.10. The 2021 SHLAA estimates the potential number of new dwellings that could be accommodated on each site using a residential typology officers consider appropriate for the site context. Recommendations on how any site constraints can be overcome are also set out. Further analysis of the SHLAA is included later in this section.

v. Housing Supply Monitoring

3.11. The supply of housing, which includes completions, permissions and outstanding Local Plan allocations, is primarily monitored by colleagues at Hampshire County Council on behalf of Gosport Borough Council. Details are reported each year in the Borough Council Authority Monitoring Report.

Housing Markets

- 3.12. The South Hampshire SHMA (2014) defines two overlapping housing market areas (HMAs) which cover the majority of the PUSH sub-region, with the Isle of Wight functioning as its own separate housing market area. Such definitions are based on a number of factors including migration, travel to work and house prices.
- 3.13. The SHMA defines a West PfSH HMA which is focused on Southampton and an East PfSH HMA which is focused on Portsmouth. The latter includes all of Gosport Borough. There is a degree of overlap between these two housing market areas. The SHMA sets out (Paragraphs 3.7 to 3.11) that the Department of Communities and Local Government (CLG) defines the Portsmouth Strategic Housing Market Area as an extensive geographical area extending in a broadly triangular shape between Alton in the north to Littlehampton in the east and Fareham Borough in the west.
- 3.14. Additionally, within the two main city focused strategic housing market areas the CLG research defines a number of more local housing market areas (LHMA) including a Fareham and Gosport LHMA. Gosport Borough is wholly located within this LHMA.

Overall Quantum

South Hampshire Strategic Housing Market Assessment (2014)

- 3.15. The South Hampshire Strategic Housing Market Assessment (SHMA) (2014) sets out that the 2011-based Government household projections identify a need for around 3,600 homes per annum across the PfSH area. However, more recent evidence which takes into account the 2011 Census indicates that net in-migration to the area has been stronger than previously estimated, and as such this increases the projected need to around 3,800 homes per year. In addition, the 2014 SHMA sets out that because of housing market conditions over the last few years this projection build-in a degree of constrained household formation. Taking this into account, the SHMA identifies that 4,160 homes per annum would be needed to meet past demographic trends in full.
- 3.16. The 2014 SHMA concludes that provision of 4,160 homes per annum across the PfSH area would represent a robust basis for forward planning based on the demographic evidence and market signals. The division between the two housing market areas with an assessed need to 2036 for:
- 2,115 homes per annum in the Portsmouth HMA; and
 - 2,045 homes per annum in the Southampton HMA
- 3.17. The 2014 SHMA is clear that it should be recognised that this is an objective policy-off analysis and takes no account of land supply or development constraints within the PfSH area, nor aspirations for economic growth. The SHMA states that it should be noted that in some districts that when the

annual housing need is aggregated over a plan period it would result in housing land requirements that cannot be met within that district. It adds, for example 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.

3.18. The SHMA acknowledges that the authorities will need to work together to review the South Hampshire Strategy and that they will need to consider:

- what scale of development can be sustainably accommodated;
- the interaction between the strategy for housing provision and economic growth; and
- potential levels of affordable housing delivery

3.19. How housing provision is ultimately distributed and met across the two housing market areas and the PfSH area as a whole should reasonably be decided at the local level through dialogue between the authorities within PfSH, taking account of constraints and land availability, the need to promote sustainable patterns of development and other policy aspirations (such as regeneration). The SHMA analysis is thus intended to provide a starting point which can be considered as part of the review of the South Hampshire Strategy and authorities' development plans.

3.20. The SHMA is very clear that the objectively-assessed needs have to be considered on a whole sub-regional basis rather than on a district-by-district basis. To inform this work local assessments of each district have been included in the SHMA Report within the appendices. This work is based on demographic trends and needs to be used with caution on the basis that:

- the assessments are derived on a policy-off position in that they do not reflect the policy objectives regarding the scale and location of development proposed within the sub-region as set out in the South Hampshire Strategy;
- the figures are influenced by and projects forward previous policies; and
- the figures be considered in the context of wider evidence.

3.21. The equivalent base projections for each Local Authority are as follows:

Table 1: Objectively Assessed need for each District (as set out in the SHMA Report)

District	Dwelling Assessment (2011-2036)
East Hampshire (PUSH)	85 homes per annum
Eastleigh	615
Fareham	395
Gosport	445
Havant	455
New Forest (PUSH)	300
Portsmouth	775

Southampton	795
Test Valley (PUSH)	155
Winchester (PUSH)	140

- 3.22. The SHMA recognises that these figures are influenced by, and project forward to some extent previous policies (which in particular impact on levels of migration). It is therefore important that they are considered in the context of the wider evidence including that:
- Past relative housing delivery has been stronger in Gosport and Eastleigh and weaker in Havant and that this influences the projections. In Gosport this is influenced by the release of former MoD properties and land onto the market;
 - The affordable housing needs evidence provides some justification of a need to consider higher provision (relative to the above figures) particularly in Eastleigh, East Hampshire, Fareham and Test Valley albeit that there are policy choices here;
 - The level of growth in the workforce which might have been expected is influenced in part by the population age structure, with parts of the new Forest, East Hampshire, Test Valley and Winchester as well as Fareham and Havant, having an older age structure than other areas. However, the relationship between housing and population growth and the economy is sensitive to changes in employment rates and commuting.
- 3.23. These are relevant factors in considering the Policy-On distribution of housing provision across the Housing Market Area alongside issues related to land supply, infrastructure, development constraints and other strategy issues which will need to be undertaken through joint working at the PfSH level.
- 3.24. Since the publication of the SHMA, which are based on the 2011 Interim sub-national population projections (SNPP), the Government has produced the 2012 SNPP which is the first set of national population projections to be released which fully takes account of the 2011 Census. Importantly the new SNPP projects less growth across the PUSH area as a whole, although the projections are of slightly stronger population growth in Havant, Portsmouth and Southampton.
- 3.25. The growth identified for Gosport Borough is significantly lower than the previous projection; for example over the period to 2021 the 2012 SNPP indicates a growth rate of 4.2% rather than 6.7% identified in 2011 SNPP. Consequently there is a 1,900 difference between the projections by 2021. Over the period to 2036 this would result in a difference of 10,472 people which is 54.3% of the 2011-based forecast. Based on the methodology for the SHMA this fall in projected populations would reduce the overall objectively assessed needs. Across all the PUSH local authorities (excluding the Isle of Wight) this would amount to a lower projection of 9,300 population in 2021 and 37,620 in 2036.
- 3.26. When compared with data in the PUSH SHMA the analysis of the 2012-based SNPP suggests a potentially lower housing requirement. Comparing the core

projection of the SHMA (demographic based with a mid-point headship assumption) with the latest projection shows a reduction in the housing need of 301 dwellings per annum (from 2,115 to 1,814) across the Portsmouth HMA and a reduction of 148 per annum (from 445 to 297) in the case of Gosport Borough (JG Consulting July 2014).

- 3.27. As a result of these changes there is a further reason to view the objectively assessed needs identified above with caution particularly the district-wide figures and that these will need to be considered further as part of the South Hampshire Strategy together with revised household and economic projections.

Objectively-Assessed Housing Need Update (April 2016)

- 3.28. The purpose of the 2016 Update is to provide analysis of objectively-assessed housing need (OAN) across the South Hampshire Sub-Region taking an approach reflecting national planning guidance. Broadly, this uses the trend-based demographic projections as a starting point, and then considers whether the assessed need should be adjusted to support economic growth, enhance delivery of affordable housing or improve affordability, taking account of market signals.
- 3.29. However, the OAHNU does not seek to update certain aspects of the 2014 SHMA including the policy context, identifying the HMA and the socio-economic baseline drawn from census data. The OAHNU does not update analysis regarding the need for different types of homes, or the needs of specific groups within the community. Calculations for these sections will largely remain place as they are typically driven by the 2012-based population projections (which have not been superseded). As such, the OAHNU should be read alongside the 2014 SHMA.
- 3.30. In the PfSH area, the expected population growth of 14.3% in the Portsmouth (East) HMA (which includes all of Gosport Borough) results in a housing need for 1,905 dwellings per annum (2011-36). In the Southampton (West) HMA the trend-based demographic projections show stronger population growth of 16.1% which equates to a housing need for 1,919 dwellings per annum (2011-36).
- 3.31. The 2016 Update concludes (Paragraph 6.4) that on the basis of the evidence it concludes that the most appropriate demographic-led scenario would be Scenario 2, which takes account of recent migration data and includes an uplift for higher migration, it is likely that the projections developed in this report provide a reasonable view about future population growth based on the most up-to-date evidence. For the Portsmouth (East) HMA a projected growth of population of 13.7% equates to a slightly lower housing need of 1,879 homes per annum.
- 3.32. The 2016 Update report concludes (Paragraph 6.10-6.11) that at an individual local authority level, the economic scenarios tend to show a lower housing need than the demographic-based scenarios in the two cities (which have a

younger population structure) and a higher need in other parts of the PfSH area. As such, any unmet housing needs should be counted leaving aside economic-based issues, recognising that if an area is meeting unmet needs from another this will support stronger population and workforce growth across the HMA. The 2016 Update also confirms that given the high affordable housing need it would be appropriate to consider housing provision above the demographic-led projections, to support affordable housing delivery.

- 3.33. The 2016 Update concludes with specific regard to Gosport (Paragraphs 6.29-6.31) that trend-based projections indicate a need for 321 homes per annum and that the economic evidence suggests a potential upside associated with economic performance suggesting economic growth could support higher net migration which equates to 372 homes per annum. The affordable housing evidence suggests a need for 193-253 homes per annum equivalent to 60-79% of the demographic-based need. Higher housing provision should thus in theory be considered to support affordable housing delivery. As such, an upwards adjustment from the base demographic need would be appropriate to support affordable housing delivery, improve household formation and reduce levels of concealed households, an objectively assessed need for 335 dwellings per annum is identified.
- 3.34. Further consideration of the overall objectively-assessed need and how this relates to the proposed housing figure for Gosport Borough Local Plan 2011-2029 is set out in Section 4 below relating to policy considerations.

Government's Standard Method for determining local authority housing requirements

- 3.35. The NPPF is clear that to support the Government's objective of significantly boosting the supply of homes, local planning authorities need to ensure that local plans allow for a sufficient amount and variety of land to come forward where it is needed. To determine the minimum number of homes needed, the NPPF requires that strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. The NPPF introduces the standard method for calculating the housing requirement for each local authority area.
- 3.36. The standard method uses a formula to identify the minimum number of homes the Government expects to be planned for. The Government's latest standard method for determining Gosport Borough's local housing requirement is set out in Figure 1 and highlights that the local housing requirement is 5,576 homes between 2021 and 2038 which works out at 328 homes every year. The method requires local authorities to use the 2014 household projections rather than the 2018 household projections.

Figure 1: Government’s standard method for assessing local housing need

<p>Step 1 – Setting the baseline</p> <p>The Government requires local authorities to use national household growth projections (2014-based) for the local authority area to set the ‘baseline’. Using these projections, the projected average annual household growth over a 10 year period is calculated.</p> <p align="center">2021: 38,397 households 2031: 41,216 households Growth: 2,819 households Average over 10 years: 281.9</p>
<p>Step 2 – An adjustment to take account of affordability</p> <p>To take account of the affordability of homes in the area, the standard method makes an adjustment to the average annual projected household growth (as calculated in step 1). The most recent workplace-based affordability ratio is used. These ratios are calculated using house prices and workplace-based earnings.</p> <p>The precise formula is:</p> $Adjustment\ factor = \left(\frac{Local\ affordability\ ratio - 4}{4} \right) \times 0.25 + 1$ <p>The adjustment calculation uses the following figures:</p> <p align="center">Gosport median house price: £210,000 (year ending Sep 2020) Gosport median gross annual earnings (workplace-based): £31,639 (2020) Ratio: 6.64</p> <p>The adjustment factor calculation is:</p> <p align="center">$((6.64-4)/4) \times 0.25 + 1 = 1.165$</p>
<p>Step 3 – Capping the level of any increase</p> <p>A cap can be applied which limits the increases in housing a local authority can face. This does not apply to Gosport Borough as the current Local Plan was adopted more than five years ago.</p>
<p>Step 4 – cities and urban centres uplift</p> <p>A 35% uplift is applied for those urban local authorities in the top 20 cities and urban centres list. This includes Southampton which is in the PfSH region. This does not apply to Gosport Borough.</p>
<p>The local housing need for Gosport Borough</p> <p>The local housing need calculation is:</p> <p align="center">Local housing need = adjustment factor x projected household growth 1.165 x 281.9 = 328.41</p> <p align="center">Local housing need = 328 dwellings per annum (5,576 over plan period)</p>

Comparison of various housing requirements/targets with current supply

- 3.37. Table 2 summarises the various objectively assessed needs and standard method housing requirements and compares this with the proposed Draft Local Plan 2038 target and current supply figures (outlined later in this document). This table highlights the significant range of figures that can be calculated from different assumptions at any one point in time.

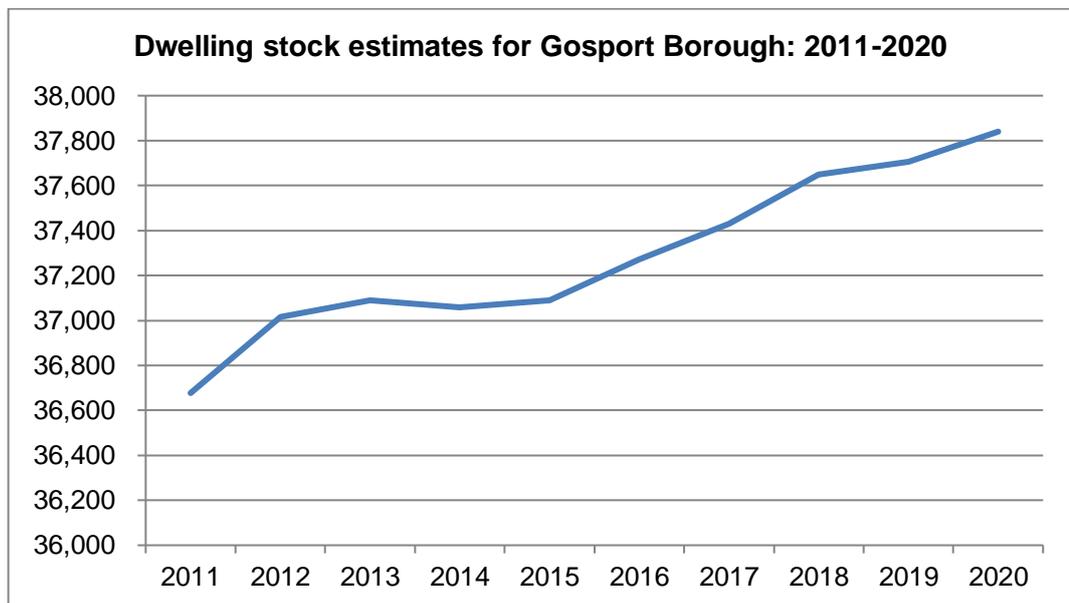
Table 2: Comparison of different methods for calculating housing requirements with proposed Local Plan target and supply figures

Method/Approach	Total proposed in relevant document if applicable	Dwellings per annum (dpa)	Re-calculated total based on dpa to cover 17 year period of emerging Local Pla
Evidence for the PfSH Spatial Position Statement			
1: South Hampshire Strategic Market Assessment (2014) covering period 2011-2036 (based on 2011 Sub-national population projections)	11,125	445	7,565
2: South Hampshire Strategic Market Assessment (2014) covering period 2011-2036 (based on 2012 Sub-national population projections)	7,425	297	5,049
3: Objectively assessed Housing Need Update (April 2016)2011-2036	8,375	335	5,695
PfSH Spatial Position Statement			
4: H1: Distribution of housing- this takes into account local constraints and redistributes housing figures across the sub-region	3,350	146.5	2,475
Standard Method as at 1st April 2021			
5: 2014 ONS Projections (as required by the Government)	n/a	328	5,576
6: 2018 ONS Projection-latest evidence that the Governmnet states should not be used	n/a	120	2,040
Current Local Plan housing requirement			
7: Current Local Plan housing figures 2011-2029	3,060	170	2,890
Emerging Gosport Borough Local Plan 2038			
8: Identified supply in the emerging Local Plan (as identified later in this document)	3,334	196.7	3,334
9: Identified target in emerging Local Plan	3,500	205.9	3,500

Existing Stock

- 3.38. The 2014 SHMA reviews the existing housing stock of the PUSH area and how this has changed over the past decade. It is important to recognise that an overwhelming proportion of housing available over the plan period has already been built and therefore it is important to understand the existing stock and consider any existing gaps that could be filled by new development.
- 3.39. Figure 2 below identifies the growth in housing stock over the current Local Plan period and shows that there has been a 3.2% increase in the number of dwellings since 2011.

Figure 2: Dwelling stock estimates



Source: Table 125: Dwelling stock estimates by local authority district: 2001 – 2020 (MHCLG)

Housing Market Dynamics and Signals

- 3.40. Prior to the introduction of the Government's standard method for assessing local housing need, Planning Practice Guidance recognised that household projections reflected a starting point to assess housing need and should be adjusted to reflect appropriate market signals, as well as other market indicators of the balance between the demand for and supply of dwellings. Both the 2014 SHMA and 2016 OAHNU recognised that the housing market can be influenced by macro-economic factors, as well as the housing market conditions at a regional and local level. The 2014 SHMA identified a number of key influences on housing demand, these are:
- Existing stock and market;
 - Quality of place;
 - Employment and earnings;
 - Access to finance;
 - Demographic changes; and
 - Accessibility to employment centres.

3.41. The 2016 OAHNU considered these key influences further using market signals which were identified in the Government's PPG at that time, these market signals include:

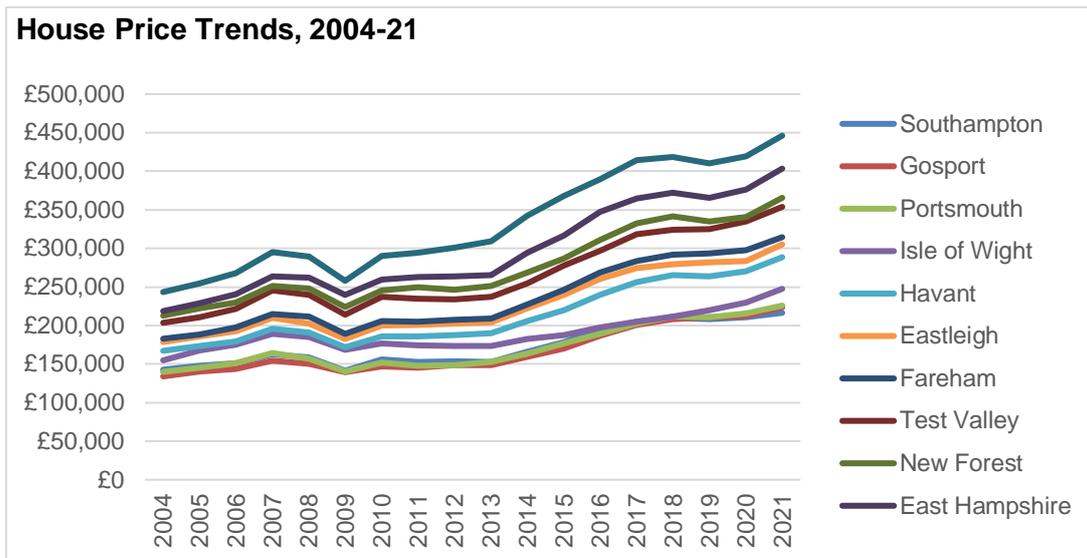
- Land Prices;
- House Prices;
- Rents;
- Lower Quartile House Price to Income Ratios;
- Rates of Development; and
- Levels of overcrowded, concealed and shared households.

3.42. Although housing need is now determined using the Government's standard method, this section seeks to provide contextual information relating to the key influences and market signals originally identified in the 2014 SHMA and 2016 OAHNU by taking this information and where possible supplementing it with up-to-date information.

House Prices

3.43. Between 2004 and 2021 house prices in Gosport have been consistently lower than all other local authority areas including Southampton and Portsmouth (Figure 4). In 2020, the average house price in Gosport was £212,374, the second lowest in the three HMAs, with Southampton the lowest at £211,068. The 2016 OAHNU set out that across all three housing market areas (Isle of Wight, Portsmouth HMA and Southampton HMA), the median house price of properties sold in 2014 was below the South East average. It was 24% below in the Portsmouth HMA (which includes Gosport Borough) and 18% below the regional average in the Southampton HMA. Across all house types, the average price in each of the three housing market areas is below the South East average. In absolute terms, this differential is strongest for detached homes. House price trends identified in the 2016 OAHNU remain largely consistent today. At the local authority level, the analysis points to lower relative housing costs on the Isle of Wight, in Gosport and Havant; and comparatively stronger house prices in Test Valley and Winchester.

Figure 3: House price trends, 2004-21



Source: GBC Analysis of HM Land Registry Data (Sourced from Price Paid Data, HM Land Registry)

3.44. Analysis⁶ using data from the Land Registry for the year to March 2019 shows estimated lower quartile property prices in Gosport by dwelling type. The data shows that entry-level costs to buy are estimated to start from about £105,000 for a flat and rising to £300,000 for a detached home. Looking at the lower quartile price across all dwelling types the analysis shows a lower quartile 'average' price of £165,000.

Table 3: Lower quartile cost of housing to buy by type

Lower quartile cost of housing to buy by type – year to March 2019 - Gosport	
	Lower quartile price
Flat/maisonette	£105,000
Terraced	£172,000
Semi-detached	£212,000
Detached	£300,000
All dwellings	£165,000

Source: Land Registry

3.45. Useful information to provide estimates of property prices by the number of bedrooms in a home are also available by drawing together Land Registry data and an internet search of prices of homes for sale (using sites such as Rightmove). The prices should be seen as indicative as they are dependent on the supply of homes for sale at the time.

Lower quartile cost of housing to buy by size (estimated) – year to March 2019 - Gosport	
	Lower quartile price
1-bedroom	£92,000

⁶ Demographic Projections for Gosport, Justin Gardner Consulting 2019

2-bedrooms	£138,000
3-bedrooms	£193,000
4-bedrooms	£248,000
All dwellings	£165,000

Source: Land Registry and internet price search

Rents

- 3.46. Within the PfSH area, rents are highest at local authority level in Winchester, East Hampshire and Test Valley and lower in comparative terms in Gosport, Portsmouth and the Isle of Wight. Essentially, the geography of rents is similar to that of market house prices. Over the 2011-15 period, median rents have increased in real terms (taking account of inflation) in Eastleigh, New Forest, Fareham, Havant (and to a more modest degree East Hampshire, Southampton and Isle of Wight). Rental price growth in Gosport between 2011 and 2015 was below the CPI inflation rate at 4%. More recent analysis⁶ using Valuation Office Agency (VOA) data covering the 12 month period to March 2019 shows Gosport Borough has an average lower quartile cost (across all dwelling sizes) of £625 per month. A breakdown of lower quartile market rents for Gosport is shown in Table 4. Rent levels in Gosport are slightly higher than those seen nationally (a lower quartile rent of £525 per month across England).

Table 4: Lower quartile market rents

Lower Quartile Market Rents, year to March 2019 - Gosport	
	Lower Quartile Rent per calendar month
Room only	-
Studio	£480
1-bedroom	£545
2-bedrooms	£650
3-bedrooms	£795
4-bedrooms	£995
All properties	£625

Source: Valuation Office Agency *Cited by JG Consulting 2019)*

Lower Quartile House Price to Income Ratios

- 3.47. House price to income ratios can be used as a broader measure of changes in affordability. A comparison of the ratio of lower quartile house price to lower quartile gross annual workplace-based earnings is shown in Table 5. This shows that across many parts of the sub-region the ratio is above the national average. The ratio at local authority level is highest in East Hampshire and Winchester, followed by New Forest and Fareham. In 2020, Gosport Borough has the lowest ratio. Over the period 2015-2020 Gosport Borough has been the only district to see no change in its ratio. Gosport's ratio is comparable with Southampton and Portsmouth.

Table 5: Changes in Lower Quartile to House Price to Income Ratio

	2020 Ratio	2015-2020 % Change	2010-2020 % Change
East Hampshire	13.70	16.1	23
Eastleigh	9.55	4.7	15.9
Fareham	10.69	8.9	12.6
Gosport	6.94	0	-8.2
Havant	10.06	17.2	18.8
Isle of Wight	9.23	12.7	16.5
New Forest	10.85	6.7	6.2
Portsmouth	7.91	14.6	31.8
Southampton	7.01	-1.7	5.3
Test Valley	9.45	3	5.8
Winchester	12.20	4	11.5
England	7.15	0.56	4.2

Source: Table 6c: Ratio of house price to workplace-based earnings (lower quartile and median), 1997 to 2020, Office for National Statistics

Levels of overcrowded, concealed and shared households

- 3.48. Overcrowding data is informed by the 2011 Census based on the 'bedroom standard'. This is defined by the difference between the number of bedrooms needed to avoid undesirable sharing (given the number, ages and relationships of the household members) and the number of bedrooms available to the household. A household is defined as overcrowded if there are fewer bedrooms available than required by the bedroom standard. The 2011 Census remains the most up-to-date source of this information at this time.
- 3.49. As shown in Table 6, the PfSH area had a slightly higher level of overcrowding in 2011 (4.0%) than the South East (3.8%) but levels of overcrowding are below the England average (4.8%). Overcrowding is marginally higher in the PUSH West HMA (4.0%) than in PUSH East HMA (3.9%). Levels of over occupation vary considerably across the local authorities - from 1.8% in East Hampshire to 6.2% in Southampton. In Gosport 3.4% of households are overcrowded which is the second highest (Havant is 3.7%) of the PfSH local authorities outside the two cities. This is higher than the Hampshire average (2.8%) but lower than the South East and England averages (3.8% and 4.8%).

Table 6: Overcrowding, 2011

	% Overcrowded Households	% Households Under-Occupying Homes
East Hampshire (part)	1.8%	83.3%
New Forest (part)	2.7%	74.9%
Test Valley (part)	1.9%	80.1%
Winchester (part)	2.0%	80.1%
Eastleigh	2.6%	74.8%
Fareham	2.0%	78.9%
Gosport	3.4%	68.1%
Havant	3.7%	71.0%
Portsmouth	5.2%	61.4%
Southampton	6.2%	56.1%
PUSH Area	4.0%	68.0%
PUSH East	3.9%	68.5%
PUSH West	4.0%	67.6%
Hampshire	2.8%	75.0%
South East	3.8%	70.7%
England	4.8%	68.7%

Source: 2011 Census

- 3.50. The 2016 OAHNU shows that the number of overcrowded households has grown by more than 36% across the South East, slightly above the national level at 32%. In the PfSH area the number of households with a negative occupancy rating increased to the greatest degree in absolute terms in Portsmouth and Southampton. In proportional terms the cities together with Gosport and Winchester saw the greatest change relative to household volumes. As such, there has been increasing overcrowding in Gosport over the period 2001-2011.
- 3.51. In addition the number of shared dwellings (houses in multiple occupation - 'HMO's') increased by 0.8 pp across the PUSH area between 2001 and 2011. There was a significant growth in both Portsmouth and Southampton in absolute terms but also in Gosport with an increase of 1,115 HMO's (4.6% of all households in 2011).
- 3.52. Table 7 shows changes in houses in multiple occupation across the PfSH area between 2001 and 2011.

Table 7: Changes in Houses in Multiple Occupation, 2001-2011

	HMOs 2011	% Households, 2011	Changes in HMOs, 2001- 11	Percentage Change 2001- 11
East Hampshire	712	3.5%	121	0.5%
Eastleigh	5469	4.4%	1454	0.9%
Fareham	4212	3.8%	856	0.6%
Gosport	3792	4.6%	1115	1.0%
Havant	5067	4.2%	1365	1.0%
Isle of Wight	4906	4.0%	-928	-0.4%
New Forest	2878	4.1%	766	1.0%
Portsmouth	14971	7.3%	3269	1.0%
Southampton	18836	8.2%	3822	1.1%
Test Valley	1446	3.6%	287	0.7%
Winchester	1503	3.8%	212	0.1%

Source: Census 2001, 2011

- 3.53. Table 8 sets out the number of concealed families which is defined as a household with more than one family. A concealed family is one that does not include the main householder(s). In 2011 Gosport had 341 concealed households, an increase of 117.2% from 2001. This represents the largest increase in concealed families in the PfSH area and is significantly above the national and south east increase.

Table 8: Concealed Families

	Concealed Households in 2001	Concealed Households in 2011	Change, 2001-11	% change
East Hampshire (part)	45	88	43	95.6%
Fareham East	218	268	50	22.9%
Gosport	157	341	184	117.2%
Havant	405	520	115	28.4%
Portsmouth	541	830	289	53.4%
Winchester (part-east)	49	65	16	32.7%
PUSH EAST	1,415	2,112	697	49.3%
Eastleigh	317	503	186	58.7%
Fareham West	72	125	53	73.6%
New Forest (part)	147	300	153	104.1%
Southampton	701	1,257	556	79.3%
Test Valley (part)	112	162	50	44.6%
Winchester (part-west)	36	73	37	102.8%
PUSH WEST	1,385	2,420	1,035	74.7%
Isle of Wight	439	588	149	33.9%
PUSH TOTAL	3,239	5,120	1,881	58.1%
South East	23,062	39,465	16,402	71.1%
England	161,254	275,954	114,700	71.1%

Source: GLH Analysis of Census Data

Summary

3.54. Overall, the 2014 SHMA, 2016 OAHNU and other available information show a number of trends and pressures for both the wider PfSH area and Gosport Borough, these include:

- Over the longer period there has been increasing house prices (market and rental) both in absolute terms and relative to earnings. However, Gosport Borough still has the second lowest median house price at £212,374 in 2020.
- Despite Gosport having relatively lower house prices than the PfSH area, between 200 and 2021 prices increased by 214%, from £71,200 to £223,410.
- Large parts of the PfSH area are considerably more affordable than the South East with the gap with the region ever widening. This is particularly the case in the urban authorities of Southampton, Havant, Portsmouth and Gosport.

- The number of concealed households has been rising since 2001 with Gosport seeing the biggest increase between 2001 and 2011 in the PfSH area.
- During the decade prior to the recession (Q1 1998 and Q4 2007) house prices grew in Gosport slightly above the regional average (190% compared to 188%) which was a similar rate to the other core PfSH authorities (which ranged between 188-191%)
- Sales/demand dropped-off more noticeably in the two cities and Gosport (minus 48% fall in sale volumes when comparing 2012 sales against the pre-recession average) than other parts of PfSH during the recession
- Rent levels have shown relatively little movement in PfSH and Gosport
- Gosport is comparatively affordable compared with some Hampshire Districts (Eastleigh, Fareham, New Forest, Test Valley, Winchester & East Hampshire).
- There is a demand from HM Forces households based in various training complexes and people working in the Royal Navy supply chain
- Much of the Borough is away from the M27 corridor and less well connected to employment opportunities along it
- Parts of Gosport and Fareham can be viewed as a local market
- Gosport offers an alternative housing offer to Portsmouth; and
- Lee-on-the-Solent is a popular retirement destination.

Supply of New Housing (August 2021)

Housing Delivery Test and Five Year Housing Supply

Housing Delivery Test

- 3.55. The Housing Delivery Test (HDT) was introduced by the Government as a monitoring tool in order to speed up delivery of housing. The HDT assesses the number of homes built in local authority areas over the previous three years and compares these against local housing requirements. The various thresholds and actions are summaries below.

Threshold	Action	Comment
Delivery below 95% of the required level	Prepare an Action Plan;	The Council's latest version is available on the Council's website ⁷
Delivery below 85% of the required level	Apply an additional buffer in housing supply assessments	A 20% buffer on the local planning authority's 5 year land supply if housing delivery is used
Delivery below 75% of the required level	The presumption in favour of sustainable development should apply as set out in the Government's NPPF	This assumption can override applicable policies in an Adopted Local Plan

⁷ www.gosport.gov.uk/HDT

- 3.56. The first set of HDT results were published by the Government in February 2019. This identified a HDT result of 111%. The February 2020 HDT results set out that the Borough scored 87% with an under-delivery of 64 dwellings over the last three years against the Local Plan target of 170 dwellings per annum.
- 3.57. The outcomes of the third HDT were published on 19 January 2019. This stated that Gosport Borough Council has an HDT measurement result of 84% and has therefore resulted in the Council needing to publish its second Housing Delivery Test Action Plan (HDTAP)⁸ and to add a 20% buffer to its five year housing land supply position. The HDTAP provides analysis regarding housing delivery issues including development viability, infrastructure provision and the impact of nitrate mitigation.
- 3.58. Table 9 below outlines the HDT targets for the three annual periods considered for the January 2021 HDT figures. The number of homes required set out in the table is based on the 170 dwellings required each year in the Adopted Gosport Borough Local Plan. However the Government has adjusted each local authority's requirement for 2019/20 due to the first national lockdown announced on 23 March 2020 for Covid-19, and the construction sector. Consequently the reduced 'homes required' within the 2019/2020 year equates to 156 dwellings for Gosport (the equivalent of a single month).

Table 9: Gosport Borough Performance against the Housing Delivery Test (2017/18 – 2019/20)

	YEAR			Total
	2017/18	2018/19	2019/2020	
Number of Homes Required	170	170	156	496
Number of Homes Delivered	221	58	135	414
Number of Homes Delivered less Required	+51	-112	-21	-82
Housing Delivery Test Result				84%
Housing Delivery Test Consequence	ACTION PLAN and 20% Buffer			

- 3.59. This confirms that Gosport Borough Council is required to publish a Housing Action Plan and to add 20% buffer to its five year housing land supply position.
- 3.60. The latest housing supply position reflected in the Government's HDT published results was undertaken on 1 April 2020 and is documented within Council's latest Authority Monitoring Report published in December 2020.

⁸ www.gosport.gov.uk/HDT

This housing supply position is updated by the Council at least for each financial year in order to ensure that the Council's five year housing land supply position remains up-to-date. As part of this process, the Council identifies all dwellings that have been completed during the period, all housing sites where construction is underway and all sites with extant planning permissions (or with a resolution to grant planning permission) as of the 1 April 2020. In total, the number of dwellings that either have extant planning permissions (or a resolution to grant planning permission) as of 1 April 2020 (and are anticipated to come forward) was 1,218 (net) dwellings (Table 10 below).

Table 10: Composition of Housing Supply as of 1 April 2020 (as published in the Council's AMR (December 2020))

Five Year Housing Requirement for Gosport		
	Dwellings	Annual Average
Housing Requirement 2011 to 2029 (GBLP)	3,060	170
Total Completions 2011 to 2020 (net)	1,166	129.5
Housing Requirement 2019/20 to 2028/29	1,894	210.4
5 Year Requirement 2019/20 to 2028/29	1,052	210.4
5% Buffer (b)	52.6	n/a
Total 5 year Requirement (a + b)	1,105	221

Five Year Supply of deliverable Housing Sites – 1 April 2020 to 31 March 2025		
Sites with planning permission (including C2 as C3 equivalent)	610	n/a
Other Deliverable Sites	494	n/a
Sub-total Deliverable Sites	1,104	n/a
Windfall	114	n/a
Total Deliverable Sites	1,218	n/a

- 3.61. As set out the latest five year housing land supply position was undertaken on 1 April 2020 and is documented within the Council's Authority Monitoring Report that was published in December 2020. This demonstrated a five year housing supply figure of 5.8 years including a 5% buffer. However, the HDT measurement for 2020 confirms that the Council delivered only 84% of its target for the last three-year period so the Council now has to apply a 20% buffer to its five year housing land supply position. As such, the Council is obliged to revise its December 2020 Housing Supply position to take account of a 20% buffer which replaces the pre-existing 5% buffer. This is set out in Table 11 below.

Table 11: Revised Housing Supply Position (August 2021)

Five Year Housing Land Supply position for period between 1 April 2020 and 31 March 2025	
Five Year Housing Requirement	1,052
20% buffer	210
Five Year Housing Requirement including 20%	1,262
Five Year Housing Land Supply (Projected Net Housing Completions)	1,218
Projected Completions above/below requirement	44
Five Year Housing Land Supply against Requirement	4.83 years (or 96.51%)

Latest Housing Supply figure

- 3.63. Table 12 identifies the current housing supply identified in the emerging Local Plan as at 1 April 2021 taking into account the new allocations being promoted in the Consultation Draft of the Local Plan (September 2021). This has been informed by the Council's Strategic Housing Land Availability Assessment and tow specific call for sites as well as ongoing opportunities for landowners, agents and developers to promote additional sites through this process.

Table 12: Housing supply at 1 April 2021 for the Plan period to 2038

Source of supply (and Policy reference where relevant)	Dwellings (net)	
Existing planning permissions not built-out at 1 April 2021		
Within GBLP 2038 Regeneration Areas (SS2-SS11) <i>Sub total: 548</i>	C3 dwelling houses*1	
	Land at Rowner Renewal*2 (SS10)	18
	Royal Hospital Haslar (SS6)	262
	Former Crewsaver Site (SS2)	31
	Land at Former HMS Daedalus (SS11)	20
	9 -11 High Street (SS3)	7
	17A High Street (SS3)	9
	Land at Priddy's Hard (SS2)	29
	Other small sites (4 dwellings and under)	3
	C2 units as C3 equivalent*3	
	Royal Hospital Haslar (272 C2 units) (SS6)	151
	Land at Former HMS Daedalus (32 C2 units) (SS11)	18
Outside GBLP 2038 Regeneration Areas (A1-2) <i>Sub total: 151</i>	C3 dwelling houses*1	
	Fort Gilkicker, Fort Road	26
	39-45a and 79-81 Jamaica Place, Stoke Road	11
	1 – 1a TML House, The Anchorage	5
	116 - 118 Priory Road	5
	Land at Addenbrooke House, Willis Road	60

Source of supply (and Policy reference where relevant)		Dwellings (net)
	Other small sites (4 dwellings and under)	33
	C2 units as C3 equivalent*³	
	Anglesey Lodge, Anglesey Road (20 C2 units)	11
	<i>Sub total</i>	699
Regeneration Areas GBLP 2038 – Policy D3 and Policies SS1-SS11		
Harbour Regeneration Area: Gosport Waterfront (SS2) <i>Sub total: 440</i>	Land at Mumby Road Lorry Park	50
	Land at Gosport Marina	190
	Former Crewsaver site (in addition to 31 units permitted)	10
	Land at Priddy's Hard (in addition to 29 permitted)	120
	West of Harbour Road	70
Harbour Regeneration Area: Gosport Town Centre (SS3) <i>Sub total: 572</i>	Land at Gosport Bus Station	240
	Former Police Station Site	90
	Gosport Precinct	24
	Barclay House and Land to the East of Barclay House	80
	Various sources of supply including surplus car parks, increasing heights of appropriate buildings and sites behind the High Street	138
Harbour Regeneration Area: Haslar Peninsula (SS4-8) <i>Sub total: 760</i>	Blockhouse (SS4)	325
	Fort Blockhouse (SS5)	150
	Haslar Barracks (SS7)	225
	The Piggeries (SS8)	60
Daedalus Regeneration Area (SS11) <i>Sub total: 300</i>	Site C – Historic Core	300
	<i>Sub total</i>	2,072
Other allocation sites in GBLP 2038 without permission – Policies A1-2		
Anglesey	Land south of Fort Road	15
Bridgemary North	Land at Stoners Close	8
	Land at Laphorn Close	10
	Land at Prideaux Brune Avenue	5
	Land between Woodside and Wych Lane	5
	Land at Bridgemary Road	6
Bridgemary South	Land at Rowner Road Service Station	20
	Land at Montgomery Road	8
Elson	Land at Heritage Way and Frater Lane	55
Forton	Land at Forton Road	23
	Land at Wheeler Close	6
Hardway	Land at Grove Road	28
Leesland	Land at Whitworth Close	18

Source of supply (and Policy reference where relevant)		Dwellings (net)
Town	Land at Gasworks Site, Mariners Way	60
<i>Sub total</i>		267
Windfall allowance		
Small unallocated sites under 4 dwellings 2023/24 – 2037/38		306
Total supply 2021 – 2038		
Total supply		3,344
Dwellings per annum		197

Table notes:

*1 Sites with over 5 dwellings with existing planning permission are allocated in this Local Plan so that in the event they are not built-out a new planning application can be submitted and the principle of development established. For example this includes Royal Hospital Haslar, Anglesey Lodge and Addenbrooke House.

*2 The number of implementable dwellings from consented schemes.

*3 C2 units shown as C3 by adjustment using method in HDT Measurement Rule Book: www.gov.uk/government/publications/housing-delivery-test-measurement-rule-book

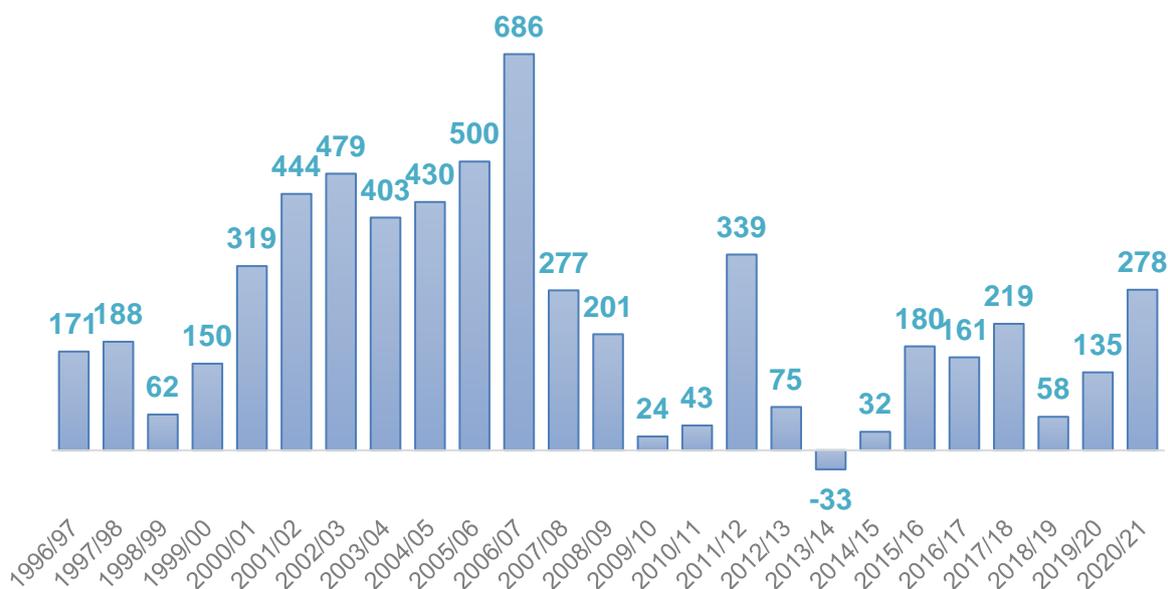
- 3.64. The Local Plan Development Strategy identifies a target of 3,500 dwellings although the current supply is 3,344. The Council will therefore consider additional sites coming forward as part of the consultation process. The Local Plan allocation of 3,500 dwellings will provide an achievable and realistic housing allocation, although it is recognised at this point in time there is a small shortfall.
- 3.65. It is clear that given the sites available, the Borough's already built-up nature and various ecological and other environmental constraints as well as the need to provide a balanced community with sufficient employment opportunities that it will not be possible to provide a sufficient amount of land to accommodate 5,576 homes in the Borough. This would currently mean that the Borough has an unmet need of 2,076 dwellings (assuming a supply of 3,500 dwellings is achieved).
- 3.66. In accordance with the NPPF the Borough Council is working with its sub-regional partners through PfSH to consider Strategic Development Opportunity Areas (SDOAs) to meet the unmet need of Gosport Borough as well as other local planning authority areas. It is important that this matter is considered on a multi-lateral basis to determine the most sustainable and appropriate sites across the sub-region. The Borough Council has identified these figures to PfSH as part of the ongoing study and has not requested any single local authority to meet its unmet need until such time as the PfSH evidence has been reported.
- 3.67. The Local Plan allocation of 3,500 dwellings will provide an achievable and realistic housing allocation, although it is recognised at this point in time there is a small shortfall (as identified in Table 12).
- 3.68. The Borough has long-recognised constraints on the availability of sites and limitations of highway infrastructure associated with its peninsula location.

These constraints have been recognised at both sub-regional and regional level and have informed previous higher-level development plans and the current South Hampshire Strategy. The Borough Council will continue to contribute towards the overall requirements by taking a positive approach towards new residential development. This will be in accordance with the presumption in favour of sustainable development set out in Policy D2 (Point 2) of the Local Plan. Additional proposals would need to accord with the other policy objectives of the Local Plan to create a genuine sustainable community.

- 3.69. The proposed housing allocation will significantly assist with meeting the needs of the local population and consequently issues such as affordability, tenure, size and special requirements will need to be fully addressed as part of this provision (see Policies H1 and H2). The proposed level of housing will also facilitate sites being developed for employment, commercial and community uses which will stimulate economic development in the Borough.
- 3.70. The Council has been a pro-development Borough taking opportunities to deliver significant brownfield land in the Borough largely as a result of the rationalisation of Ministry of Defence (MoD) sites. Figure 4 sets out the levels of housing completions in the Borough since 1996. The considerable variability is largely dictated by the availability of land released by organisations such as the MoD.

Figure 4

**Net dwelling completions
1996/97 to 2020/21**



- 3.71. As a result of detailed work included in the Strategic Housing Land Availability Assessment (SHLAA) and associated call for sites consultation it is clear that the Government standard method figure of 5,576 homes (328dpa) is not achievable. It is recognised that such levels are only possible if sites are

available. The significant growth at the beginning of the century coincided with the availability of the former MoD site at Priddy's Hard and the development of Cherque Farm at Lee-on-the-Solent. Since then such sizeable development sites have not been available and certainly not at the same time. Ambitious housebuilding programmes have taken place such as the Alver Village scheme which included the demolition of 500 sub-standard housing and the redevelopment of approximately 700 dwellings. Even with these estate renewal programmes the housing supply figures for local authorities are penalised hence the minus figure in 2013/14 as the figures relate to net figures rather than qualitative outcomes.

- 3.72. From the various evidence studies a figure approaching 3,500 homes would be deliverable within the Borough. This would represent 206 dpa over the period 2021-2038 and would increase the delivery rate when compared with the current Adopted Local Plan which is 170 dpa.

4. CONSIDERATION OF ISSUES

How is the housing quantum set out in the Consultation Draft Gosport Borough Local Plan 2038 arrived at?

- 4.1. In Gosport, the local housing requirement – using the standard method - for the period 2021 to 2038 is 5,576 homes. This equates to 328 homes per annum. For reference, the standard method requires local authorities to use the 2014 household projections rather than the 2018 household projections.
- 4.2. In order to ascertain whether this level of housing is achievable in Gosport Borough a comprehensive Strategic Housing Land Availability Assessment (SHLAA) has been undertaken in line with national planning policy. The SHLAA is available to view on the GBC website⁹.
- 4.3. As a result of the SHLAA, as well as considering past trends, it is clear that the standard method figure of 5,576 new homes would not be achievable within the Borough. Instead, a figure of approximately 3,500 could be deliverable within the Borough if all of the proposed allocation sites are built out for residential use at suitable densities.
- 4.4. This would represent 206 dwellings per annum (dpa) over a 17 year period between 2021 and 2038. This would be an increase in the delivery rate when compared with the current Adopted Local Plan which requires 170 dpa.

Has the socio-economic and environmental considerations of the quantum set out in the latest Local Plan been tested?

- 4.5. The Borough Council has carried out studies to demonstrate that the proposed 3,500 dwellings can be accommodated in the Borough in terms of potential economic, social and environmental impacts including that the requisite infrastructure can be delivered. The full list of supporting evidence studies is set out in Appendix A.
- 4.6. It is considered that the socio-economic and environmental implications of accommodating significantly higher figures in the sub-region will need to be considered at a sub-regional basis involving all the PfSH authorities. As such, it is considered to be unacceptable to be undertaken at this stage at a Borough-wide level particularly as it is clear that the theoretical objectively-assessed need for the Borough cannot be met within the Borough due to the lack of suitable sites. It must therefore be delivered in coordination with neighbouring local authorities in South Hampshire.

Does the availability of land remain an issue?

- 4.7. The availability of land remains a key issue when considering how the objectively-assessed need could be met. When assessing the Policies Map which forms part of the Consultation Draft Gosport Borough Local Plan 2038,

⁹ www.gosport.gov.uk/gblp2038evidence

it is clearly visible that outside of the identified brownfield regeneration areas already allocated in the Plan for development there is comparatively few sites available in Gosport. Indeed, the evidence base clearly shows the lack of significant available sites in the Borough other than those already identified for residential development. There are no significant greenfield sites in Gosport. The only sites of strategic importance for the sub-region that could come forward are further Ministry of Defence (MoD) or other government sites that are currently being used for operational purposes.

- 4.8. There are a number of economic and environmental reasons why the supply of residential development land in the Borough can be considered to be limited including:
- The dense urban nature of the Borough – Gosport is one of the most densely urbanised areas in the South East and has a land area of just 2,530 hectares.
 - The fact that other than the sites identified in the Local Plan Review there are no other significantly sites available. This may be in part due to the land ownership pattern of the Borough which is concentrated in public ownership specifically the MoD (which currently own 21% of the Borough) and consequently the release of land for sizeable residential development is often dependent on the release of MoD land.
 - Significant areas within Environment Agency fluvial floodzone 3 and prone to coastal flooding. Even with this constraint the Borough Council is promoting sites within floodzone 3 where there are over riding sustainability benefits and it can be demonstrated that the sites can likely be safely protected from flooding in accordance with the NPPF;
 - The presence of internationally important habitats as well as Sites of Special Scientific Interest and numerous sites which support the integrity of the identified features of the internationally important sites;
 - The need to safeguard an appropriate mix of employment sites to provide local employment with the long-term aim of reducing out commuting, which would otherwise deteriorate further leading to additional vehicular congestion;
 - Retention of appropriate levels of open space to serve the population and maintain the quality of the rural landscape and urban townscape;
- 4.9. The PfSH authorities have also recognised that the constraints of the road network to and from the Gosport peninsula also acts as a constraint on dwelling delivery for the Borough.
- 4.10. The housing supply in the Borough has been, and will continue to be, largely driven by the availability of large brownfield sites which form the focus for a number of regeneration areas. Other smaller sites have been identified through the 2021 update of the SHLAA including outstanding planning permission, pre-application queries and other sites known to be available.
- 4.11. It is therefore clear that there is a lack of available suitable sites in the largely built up area and the Borough Council has therefore identified all the known

supply that is deliverable and developable over the Local Plan period which meet national and local sustainability considerations.

- 4.12. As noted the 3,500 dwellings over the plan period (206 dwellings per annum) proposed is significantly lower than the 328 dwellings per annum set out in the Government's Standard Method. Even if there were sufficient sites available to meet a proportion of this figure there are likely to be significant socio-economic and environmental factors which would make achieving this figure undesirable including road congestion, flood risk, international habitats, the need to protect important open space to serve a densely populated community. The PfSH authorities will therefore need to collaboratively consider the implications of the OAHNU figure as part of a review of the South Hampshire Strategy.

Conclusions

- 4.13. The 3,500 dwelling figure as set out in Policy D2 (Development Strategy) of the Consultation Draft Gosport Borough Local Plan 2038 is considered an appropriate housing figure for the period up to 2038.
- 4.14. As highlighted in this Background Paper the magnitude of both the objectively assessed need and the Standard Method Local Housing Need identified could not physically be accommodated in the Borough and that developers and landowners have not brought forward suitable additional sites outside of those already identified in the Local Plan. Even if a number of sites did come forward (including any of the small site previously dismissed through the sustainability appraisal process), these will not yield the numbers required to meet the objectively assessed need outlined in the SHMA.
- 4.15. Nonetheless, over the existing Plan period the Borough Council will continue to contribute towards the overall requirements by continuing to take a positive approach to new residential development. This would be in accordance with the presumption in favour of sustainable development set out in Policy LP1 of the Adopted Local Plan, the broad approach set out in the Consultation Draft Gosport Borough Local Plan 2038 and the NPPF.

PART C: TYPE AND MIX OF HOUSING

5. EVIDENCE

Affordable Housing

Strategic Housing Market Need for Affordable Housing

- 5.1. The PUSH SHMA (GL Hearn 2014) identifies a significant continuing need for the provision of affordable housing to deal with a current housing need backlog and newly arising need. Table 13 shows the overall calculation of housing need for the PfSH area and the two component housing market areas (HMA); Southampton HMA; and Portsmouth HMA which includes Gosport Borough. The methodology, assumptions and calculations for each component in the table are detailed in the SHMA.
- 5.2. The table excludes supply arising from sites with planning consents to allow comparison with demographic projections. In considering the net need for additional affordable housing the pipeline of affordable housing which is expected to be delivered should be netted off the backlog need figures shown in the table. The SHMA Report identifies the future supply of affordable housing as the flow of affordable housing arising from the existing stock that is available to meet future need. It is split between the annual supply of social relets and the annual supply of relets/sales within the intermediate sector. The table shows an overall need for affordable housing of 76,996 units over the period to 2036 equivalent to 3,345 units per annum. The net need is calculated as follows:

Table 13: Estimated Housing Need (2013-2036) excluding pipeline

Area	Backlog Need	Newly forming households	Existing Households falling into need	Total Need	Supply	Net Need	Net need per annum
Southampton HMA	4033	51903	26997	82933	44735	38198	1661
Portsmouth HMA	3682	46945	19702	70329	31602	38727	1684
PUSH	7714	98920	46699	153333	76337	76996	3345

Net need= Total need (Backlog need + Need from newly forming households + existing households falling into need) - supply of affordable housing.

- 5.3. The SHMA Report therefore concludes that there is a clear justification for authorities in the PfSH area to seek to secure the maximum viable level of affordable housing on development schemes.
- 5.4. The SHMA makes it clear that it is necessary to consider a number of factors when interpreting the findings. Importantly the role of the needs assessment is specifically to identify whether there is a shortfall or surplus of genuine affordable housing to provide for those households who cannot afford to meet their needs in the market. The SHMA identifies three key factors and

sensitivities which need to be considered in order to put the needs identified into a real life context. These are:

- the extent to which households defined as in housing need may choose to spend more than 30% of their gross income on housing costs or may not actively seek an affordable;
- the role of the private rented sector, supported by local housing allowance, in providing for those identified as in need; and
- the possible future impacts of welfare reforms on need for affordable housing.

5.5. These sensitivities are tested in the SHMA with realistic adjustments of the variables. In each case the Study shows that there remains a significant need for affordable housing.

5.6. It should be recognised that the assessment is a snapshot at a point in time. It is therefore particularly sensitive to the differential between housing costs and incomes at that point as well as the existing supply of affordable housing.

5.7. The SHMA includes an estimate of the proportion for affordable housing need that should be made through the provision of different types of affordable housing based on the available evidence. This is outlined in Table 14 below.

Table 14: % Net Need for different types of affordable housing (2013-2018)

Area	Intermediate	Affordable Rent	Social Rent	Total
Southampton HMA	29.4%	19.9%	50.7%	100%
Portsmouth HMA	27.4%	14.1%	58.5%	100%
PUSH	28.4%	17.3%	54.4%	100%

Affordability of housing and the overall need for Affordable Housing in the Borough

5.8. The document identifies that the Borough's net need per annum represents 7.8% of the overall PUSH need. However for similar reasons as set out previously the figures in SHMA need to be used with caution. It clearly indicates together with other evidence presented in this section that there is a significant need to provide affordable housing in the Borough (Table 15).

Table 15: Estimated housing need (2013-2036) excluding pipeline

Area	Backlog Need	Newly forming households	Existing Households falling into need	Total Need	Supply	Net Need	Net need per annum
Gosport Borough	544	6946	3119	10609	4609	6000	261
Portsmouth HMA	3682	46945	19702	70329	31602	38727	1684

PUSH	7714	98920	46699	153333	76337	76996	3345
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- 5.9. If the affordable housing in the pipeline (i.e. those with planning permission as at 1 April 2014) is taken account this would reduce the backlog need and consequently the net need by 103 dwellings. The total net need would therefore be 5,897 dwellings representing a net need per annum of 256 dwellings.

Demographics Projections Final Report

- 5.10. The Demographics Projections Final Report (J Gardner, 2019) provides a detailed update of this issue (section 3 Affordable Housing Need, p.31-48). The final report takes account of updated definitions in the NPPF and update aspects of the analysis to a 2019 base. This includes data on house prices and rents, incomes, levels of new household formation and the supply of affordable housing. The report looks at the seventeen year period from 2019 to 2036.
- 5.11. Analysis has been undertaken to estimate the need for affordable housing in the 2019-36 period. The analysis is split between a 'traditional' need (which is mainly for social/affordable rented accommodation and is based on households unable to buy or rent in the market) and the 'additional' category of need introduced by the revised NPPF/PPG (which includes housing for those who can afford to rent privately but cannot afford to buy a home). The analysis has taken account of local housing costs (to both buy and rent) along with estimates of household income. Additionally, when looking at traditional needs, consideration is given to estimates of the supply of social/affordable rented housing. For the additional definition, consideration is given to the potential supply (from Land Registry data) of cheaper accommodation to buy.
- 5.12. When looking at the need for affordable home ownership products (i.e. the expanded definition of affordable housing in the NPPF) it is clear that there are a number of households likely to be able to afford to rent privately but who cannot afford to buy a suitable home. However, there is also a potential supply of homes within the existing stock that can make a contribution to this need. It is therefore difficult to robustly identify an overall need for affordable home ownership products.
- 5.13. However, it does seem that there are many households in Gosport who are being excluded from the owner-occupied sector. The analysis would therefore suggest that a key issue in the Borough is about access to capital (e.g. for deposits, stamp duty, legal costs) as well as potentially mortgage restrictions (e.g. where employment is temporary) rather than simply the cost of housing to buy.
- 5.14. If the Council does seek to provide some housing as affordable home ownership, then it is suggested that shared ownership is the most appropriate option. This is due to the lower deposit requirements and lower overall costs (given that the rent would also be subsidised). Where other forms of

affordable home ownership are provided (e.g. Starter Homes or discounted market), it is recommended that the Council considers setting prices at a level which (in income terms) are equivalent to the levels needed to access private rented housing. This would ensure that households targeted by the new definition could potentially afford housing – this might mean greater than 20% discounts from Open Market Value for some types/sizes of homes in some locations.

- 5.15. The table below taken from the Demographics Projections Final Report¹⁰ shows the overall calculation of affordable housing need. This excludes supply arising from sites with planning consent. The analysis shows that there is a need for 194 affordable dwellings per annum to be provided. This equates to a total of around 3,300 units over the 17 year period between 2019 and 2036. The net need is calculated as follows:

Table 5.4: Estimated Need for Affordable Housing - Gosport		
	Per Annum	2019-36
Current need	49	837
Newly forming households	237	4,027
Existing households falling into need	118	2,011
Total Gross Need	404	6,874
Re-let Supply	211	3,580
Net Need	194	3,294

Net Need = Current Need + Need from Newly-Forming Households + Existing Households falling into Need – Supply of Affordable Housing

- 5.16. The final report sets out that there is a slightly lower level of affordable need although differences are not considered to be substantial. Both the final report and the 2016 SHMA clearly demonstrate a need for affordable housing and the Council should seek to maximise delivery where opportunities arise.
- 5.17. Therefore, there is a clear requirement for an Affordable Housing policy, or policy criteria, within the Regulation 18 Draft Local Plan.

Affordable and Market Housing Mix

- 5.18. In terms of mix the SHMA indicates that across both the PUSH East and PfSH West areas more than three-quarters of the net affordable housing need is for homes with one or two bedrooms:
- 1-bedroom properties: 35-40%
 - 2-bedroom properties: 30-35%
 - 3-bedroom properties 20-25%
 - 4-bedroom properties: 5-10%
- 5.19. This is based on a longer term view of requirements for affordable housing: it does not reflect any specific priorities such as family households in need or

¹⁰ Demographics Projections Final Report, J Gardiner (2019) Figure 3.11

the impacts in the short term benefit reforms which are likely to increase for small properties. Due to the local demographics of Gosport the SHMA indicates that whilst the requirement for market housing is similar to the PfSH area the requirement for affordable housing is for smaller housing sizes.

- 5.20. The Demographics Projections Final Report (J Gardner, 2019) set out an updated analysis of the need for different types of market and affordable housing. There are a range of factors which will influence demand for different sizes of homes, including demographic changes; future growth in real earnings and households' ability to save; economic performance and housing affordability. The analysis linked to long-term (20-year) demographic change concludes that the following represents an appropriate mix of affordable and market homes, this takes account of both household changes and the ageing of the population:

Table 16: Suggested Mix of Housing by Size and Tenure

	1-bedroom	2-bedroom	3- bedroom	4-bedroom
Market	5-10%	35-40%	40-45%	10-15%
Affordable home ownership	30-35%	40-45%	20-25%	0-5%
Affordable housing (rented)	35-40%	30-35%	20-25%	5-10%

- 5.21. The strategic conclusions in the affordable sector recognise the role which delivery of larger family homes can play in releasing a supply of smaller properties for other households. Also recognised is the limited flexibility which 1-bed properties offer to changing household circumstances, which feed through into higher turnover and management issues. The conclusions also take account of the current mix of housing in the Borough (by tenure) and the profile of households on the Housing Register.
- 5.22. The mix identified above could inform strategic policies although a flexible approach should be adopted. In applying the mix to individual development sites, regard should be had to the nature of the site and character of the area, and to up-to-date evidence of need as well as the existing mix and turnover of properties at the local level. The Council should also monitor the mix of housing delivered.
- 5.23. Based on the evidence, it is expected that the focus of new market housing provision will be on 2- and 3-bed properties. Continued demand for family housing can be expected from newly forming households. There may also be some demand for medium-sized properties (2- and 3-beds) from older households downsizing and looking to release equity in existing homes, but still retaining flexibility for friends and family to come and stay.
- 5.24. This analysis is reflected in the Regulation 18 draft Local Plan (below):

Suggested Mix of Housing by Size and Tenure				
	1 bedroom	2 bedroom	3 bedroom	4+ bedroom
Market	5-10%	35-40%	40-45%	10-15%
Affordable Home Ownership	30-35%	40-45%	20-25%	0-5%
Affordable Housing (rented)	35-40%	30-35%	20-25%	5-10%

Adaptable and Specialist Accommodation

- 5.25. The Demographics Projections Final Report (J Gardner, 2019) set out an updated analysis of the need for different types of adaptable and specialist accommodation in line with the Planning Practice Guidance on 'Housing for older and disabled people'. The two groups are taken together as there is a clear link between age and disability. It includes an assessment of the need for specialist accommodation for older people and the potential requirements for housing to be built to Part M4(2) and M4(3) housing technical standards (accessibility and wheelchair standards).
- 5.26. A range of data sources and statistics have been accessed to consider the characteristics and housing needs of the older person population and the population with some form of disability. The population projections developed in this report suggest in the 2016-36 period, that the number of people aged 65 and over will increase by more than 50%, with greater percentage increases for older age groups (e.g. those aged 75+ or 85+). This is likely to drive an increase in the number of people with some form of disability, the number of people with a long-term health problem or disability is projected to increase by about 3,500 to 4,000 persons in the Borough over the 20-year period. Large increases are also projected for other groups, including the number of people with dementia. Additionally, a need is shown for around 250 wheelchair-user homes.
- 5.27. The growth shown in those with disabilities provides clear evidence justifying delivering 'accessible and adaptable' homes as defined in Part M4(2) of Building Regulations and also M4(3) 'wheelchair user dwellings'. The Council should ensure that the viability of doing so is also tested as part of drawing together its evidence base. Using data from the Housing Learning and Information Network (Housing LIN) with adjustments to take account of local data a further analysis has been undertaken to consider needs for specialist accommodation. Overall, a need is shown for around 480 housing with support units, such as sheltered housing or retirement living, over the period to 2036, the majority of which are expected to be leasehold. There is also a need for around 510 housing with care units, with a need for both market and affordable provision. This can be met through provision of extra care housing. Consideration should be given to developing bespoke affordable housing policies for extra care. Additionally, a need is shown for about 750 care or nursing home bedspaces to 2036.

6. CONSIDERATION OF ISSUES

The need to ensure the Borough adopts a realistic and viable target for affordable housing

- 6.1. Evidence in the South Hampshire SHMA and 2016 Update and 2019 Demographic Study all highlight that the scale of affordable housing required will not be met by the proposed level of housing identified in the Borough. It is therefore necessary to include a target in the Local Plan. The Adopted Local Plan has a 40% target (Policy LP24) and this has been achieved in some delivered schemes.
- 6.2. Hitherto, the threshold of 10 dwellings was recommended by the earlier DCA Housing Needs Study due to the scale of demand. This level has been deemed to be viable in the latest viability study. The DCA Study also recommends that a 10 or more dwelling site threshold to require the 40% affordable housing was appropriate. The 40% target also accords with the ranges set out in the PUSH South Hampshire Strategy.
- 6.3. The Borough Council is therefore maintaining the 40% target and 10 unit threshold in the Consultation Draft Gosport Borough Local Plan 2038.
- 6.4. The Borough Council will however be undertaking a Whole Plan viability assessment as part of the evidence base review undertaken between the commencement of the Regulation 18 consultation and the start of a future Regulation 19 consultation. Amongst other things, the assessment will review the current economic climate which has changed markedly in the last two years due to the Covid-19 pandemic.

The need to ensure an appropriate mix of market and affordable housing in terms of number of bedrooms

- 6.5. In terms of the format of affordable housing it is acknowledged that this will change over time due to the changing ratio between income levels and house prices as well as issues relating to availability of finance, welfare reforms and other such issues. Consequently it is not proposed to fix a rate or even a range of affordable housing formats in the housing policy. Instead the latest evidence is provided in the justification text as a guide, although it is acknowledged that this may change. The primary advantage of this approach is to allow GBC Planning Officers and Site Promoters to negotiate on a site-by-site basis taking account of the latest evidence.

The need to ensure that accommodation is available for those with specific needs

- 6.6. The population projections developed in this report (and indeed the latest official projections) identify that the number of older people (conventionally those aged 65 and over) will increase notably in the future. It is therefore of interest to consider the need for specialist accommodation and also housing that is suitable for people with disabilities – including the potential

requirements for housing to be built to Part M4(2) and M4(3) housing technical standards (accessibility and wheelchair standards).

- 6.7. The projections suggest that in the 2016-36 period, the number of people aged 65 and over will increase by more than 50%, with greater percentage increases for older age groups (e.g. those aged 75+ or 85+). This is likely to drive an increase in the number of people with some form of disability, the number of people with a long-term health problem or disability is projected to increase by about 3,500 to 4,000 persons in the Borough over the 20-year period. Large increases are also projected for other groups, including the number of people with dementia. Additionally, a need is shown for around 250 new wheelchair-user homes.
- 6.8. Self-build and Custom-build
- 6.9. Lastly, the Borough Council keeps a register of interest of those individuals or groups who express an interest in constructing self-build properties. This will help the Borough Council ascertain the level of demand for this type of development, which is strongly encouraged by the Government.
- 6.10. In light of this encouragement, the Consultation Draft Gosport Borough Local Plan 2038 draft Policy H1 (Sustainable Residential Neighbourhoods) sets out a criterion setting out a broad positive approach to self-build homes.

Appendix A

Key Supporting Documents

PfSH documents

Objectively Assessed Housing Need Update (GL Hearn for PfSH-April 2016)
www.push.gov.uk/wp-content/uploads/2018/06/Housing-need-update-2016.pdf

Spatial Position Statement (PfSH June 2016)
www.push.gov.uk/wp-content/uploads/2018/05/PUSH-Spatial-Position-Statement-2016.pdf

South Hampshire Strategic Housing Market Assessment (GL Hearn for PfSH January 2014)

https://www.gosport.gov.uk/media/1414/LP-E7-3-South-Hampshire-Strategic-Housing-Market-Assessment-SHMA-PUSH-final-report-Jan-2014/pdf/LP_E7_3_SHMA_Final_Report_16_1_14_GL_Hearn_report.pdf?m=636975897590330000

Gosport Borough Local Plan

Gosport Borough Local Plan 2011-2029 (Adopted) (GBC 2015)
www.gosport.gov.uk/localplan

Gosport Borough Local Plan 2038- Consultation Draft (September 2021)
www.gosport.gov.uk/gblp2038

Housing-related evidence studies for the emerging Gosport Borough Local Plan

Demographic Projections (JG Consulting 2019)
[https://www.gosport.gov.uk/media/3178/Demographic-Projections-for-Gosport-Report/pdf/Demographic Projections for Gosport Report.pdf?m=637674688109670000](https://www.gosport.gov.uk/media/3178/Demographic-Projections-for-Gosport-Report/pdf/Demographic%20Projections%20for%20Gosport%20Report.pdf?m=637674688109670000)

Hampshire Consortium Gypsy, Traveller and Travelling Showpeople Accommodation Assessment Summary (2016 – 2036)
[https://www.gosport.gov.uk/media/3182/Hampshire-Consortium-GTAA-Final-Report/pdf/Hampshire Consortium GTAA Final Report.pdf?m=637674815391470000](https://www.gosport.gov.uk/media/3182/Hampshire-Consortium-GTAA-Final-Report/pdf/Hampshire%20Consortium%20GTAA%20Final%20Report.pdf?m=637674815391470000)

Infrastructure Funding Statement (IFS) and Infrastructure Delivery Plan (IDP) (GBC 2021)

Strategic Housing Land Availability Assessment (SHLAA) (GBC2021)

www.gosport.gov.uk/gblp2038evidence

GBC Monitoring documents

Authority Monitoring Reports (GBC 2020 and previous versions)

www.gosport.gov.uk/amr

Gosport Profile (Key Data) (GBC on-going)

www.gosport.gov.uk/gosportprofile

Housing Delivery Test Action Plan (GBC 2021)

www.gosport.gov.uk/HDT

Other documents supporting the emerging Gosport Borough Local Plan 2038 are available on the Council's website: www.gosport.gov.uk/gblp2038evidence

Sustainability Appraisal (SA)

Habitats Regulation Assessment (HRA)

Gosport Climate Change Strategy 2020-2023

Economic Development Needs Assessment and Economic Land Availability Assessment

Gosport Economic Development Strategy 2021-2031

Partnership for South Hampshire Economic and Employment Land Evidence Report

Solent Local Enterprise Partnership (LEP) Gosport Infrastructure Investment Plan (GIIP) Final Report, Lichfields, February 2019

Gosport Borough Local Plan SRTM Modelling Report (SYSTRA)

Interim Strategic Flood Risk Assessment

Partnership for South Hampshire Strategic – 2016 Update Guidance

River Hamble to Portchester Coastal Flood and Erosion Risk Management Strategy

Open Space Monitoring Report

Local Open Space Standards

Allotment Strategy

Solent Waders and Brent Goose Strategy

Solent Recreation Mitigation Strategy

Partnership for South Hampshire Integrated Water Management Study

Partnership for South Hampshire Water Management Study

Gosport Townscape Assessment

Gosport Retail, Leisure and Tourism Study. LSH

Partnership for South Hampshire Spatial Position Statement