

Fareham Development Sites and Policies Plan: Proposed Modifications:

**Representations by Pegasus Planning Group
on behalf of Sustainable Land PLC and the Hammond Family**

Representations are made on the following Main Modifications: DMM1, DMM6, DMM7, DMM21, DMM27, DMM33 and DMM34

1. Representations on Main Modifications **DMM1, DMM6, DMM7** and **DMM21** are linked. They are also related to information in the Council's Housing Trajectory and Five-Year Housing Land Supply (excluding Welborne), in the Schedule of Main Modifications to the Development Sites & Policies Plan (February 2015), Appendix G, including Table 14.
2. The Council claims that the housing supply trajectory shows:
 - *'Despite a shortfall in housing land availability toward the latter stages of the plan period, significant projected over-delivery in the early stages of the plan period will ensure that Fareham is capable of meeting its housing requirements.'*
 - *'Fareham is capable of meeting and exceeding its five year deliverable housing land requirement by 651 dwellings (1,418 - 767 = 651). With regards to the developable supply (i.e. 6-10 year and 11-13 years supply) Fareham is in a housing deficit of -190 (246 - 436 = -190) and -29 (137 - 166 = -29), respectively. However, when past delivery is taken into account, Fareham is capable of delivering the Cumulative Requirement across the plan period (i.e. 2006-2026) of 3729 dwellings with a projected surplus of 929 dwellings.'*
3. This conclusion can be challenged on several grounds, including, in particular:
 - The figure used as an objective assessment of housing needs from 2011; and
 - The inclusion in the housing supply trajectory of notional surpluses in housing supply between 2006 and 2011 – before the plan period and before the base date for the assessment of housing needs.
4. In a recent planning appeal decision on land at Swanwick Lane, dated 20th January 2015, (Ref APP/A1720/A/14/2220031), the Inspector concluded, inter alia, that:
 - the Fareham Core Strategy, Local Plan Part 1 (with the addition from the South Hampshire Strategy) does not provide a full objective assessment of housing needs in conformity with the NPPF and Planning Practice Guidance;
 - the 2014 South Hampshire Strategic Housing Market Assessment provides a more accurate assessment of the Borough's housing needs;
 - a target of at least 395 dwellings per annum should be used;

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- the requirement should not be reduced on the basis of housing delivered before 2011, as there is no assessment of housing need from 2006 to 2011;
 - Welborne cannot be relied on to deliver housing in the next 5 years; and
 - the 5-year housing and supply is 1,426 at most, compared with a requirement of 2,074; representing about 3.4 years' supply.
5. Since that planning appeal decision, the Department for Communities and Local Government (DCLG) has published 2012-based Sub-National Household Projections, which show a projected growth of 6,354 households (424 p.a.) in Fareham for the plan period of 2011 to 2026. If a vacancy rate of 3% is added, based on 2011 Census data, the implied housing requirement in Fareham for 2011 to 2026 is 6,545 dwellings (436 p.a.). This must also be taken to be a minimum figure as it includes no account of employment growth, 'market signals' or the need for affordable housing, as advised in Planning Practice Guidance (Reference IDs: 2a-018-20140306 to 2a-021-20140306)
6. A re-calculation of housing requirements and land supply between 2011 and 2014 is shown in Table 1 below; using a target figure of 436 p.a., without the addition of notional surpluses before 2011.

Table 1: Housing Land Requirements and Supply from 2011/12 to 2013/14; applying a target for housing requirements of 436 per annum

Plan Year	2011/12	2012/13	2013/14
Housing Supply (Past Completions)	315	391	152
Cumulative Housing Supply	315	706	858
2012-based Housing Requirement (households + 3%)	436	436	436
Cumulative Housing Requirement	436	872	1,308
Number of dwellings above or below annual housing requirement	-121	-45	-284
Number of dwellings above or below cumulative housing requirement	-121	-166	-450

Sources: Fareham Borough Council Main Modifications, DCLG Sub-National Household Projections and 2011 Census (Totals may not sum exactly, owing to rounding.)

7. Table 1 shows an accumulated deficit of 450 dwellings by 2014. This deficit could be seen as 'a record of persistent under delivery of housing' in terms of Paragraph 47 of

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the National Planning Policy Framework (NPPF); justifying the addition of a 20% buffer, rather than a 5% buffer, to the five-year housing land requirement.

8. In Appendix G of the Schedule of Main Modifications, the Council now estimates its five-year housing land supply at 1,419 dwellings (including 100 from windfall sites). Even if a 5% buffer is maintained, a requirement for 436 dwellings per annum with the addition of the deficit of 450 dwellings from 2011-2014 (90 p.a.) results in a five-year housing land supply equivalent to only 2.6 years' requirements and a five-year deficit of 1,320 dwellings, as shown in Table 2 below. No account is taken of housing completions before 2011, as they pre-dated the assessment of housing needs and the plan period and are reflected in 2011 Census data which provide the baseline for the household projections.

Table 2: Five-Year Housing Land Supply; 2014/15 to 2018/19

	2014/15	2015/16	2016/17	2017/18	2018/19	Totals
Projected Household Growth	436	436	436	436	436	2,180
5% buffer	22	22	22	22	22	109
2011-2014 deficit divided by 5 years	90	90	90	90	90	450
Total Housing Requirement	548	548	548	548	548	2,739
Forecast Housing Completions	252	297	343	256	171	1,319
Windfall Allowance	20	20	20	20	20	100
Total Housing Supply	272	317	363	276	191	1,419
Five-Year deficit in supply						-1,320
No. of years' supply						2.6

Sources: Fareham Borough Council Main Modifications, DCLG Sub-National Household Projections and 2011 Census (Totals may not sum exactly, owing to rounding.)

9. Applying a 20% buffer would reduce the number of years' supply to 2.3 years and increase the five-year deficit to 1,647.
10. The Council concedes that there is 'a shortfall in housing land availability toward the latter stages of the plan period'. However, its conclusion that 'over-delivery in the early stages of the plan period will ensure that Fareham is capable of meeting its housing requirements' is incorrect, as it is based on too low a figure for housing

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requirements that does not reflect the latest available evidence and a supply figure that is inflated by including housing completions from before 2011; the start of the plan period and the baseline for assessment of housing needs.

Representations on Proposed Modifications DMM1, DMM6, DMM7 and DMM21:

11. In the Inspector's Preliminary Findings of January 2015 (DID 015), he concluded :

'There would be little justification, particularly in terms of making the best use of time and resources, for undertaking a boundary review if sufficient land to accommodate the development needs of the Borough (as set out in the CS) could be identified elsewhere in the existing urban area. The Council has confirmed, in response to my question 2.1 (Core document DCD-06), that it was the intention to undertake the review only if the aforementioned development needs could not be met in the existing identified settlements. Having considered all the evidence, my conclusion is that such a review at this time is not justified because there are sufficient sites identified in LP2 to accommodate the identified housing requirement in the CS, without the need to alter existing settlement boundaries. However, I would strongly advise the Council that consideration should be given to including such an exercise, as a component of the review of the local plan (which is scheduled to start this year), thus ensuring that any review document is justified (i.e. the most appropriate strategy when considered against the reasonable alternatives).'

12. The recent findings of the Planning Inspector on the Swanwick Lane planning appeal and the other latest evidence show that sufficient sites are not identified in the Development Sites and Policies Plan (LP2) to provide a five-year housing land supply against an objective assessment of housing requirements, with an additional buffer to ensure choice and competition in the market for land, as required by paragraph 47 of the NPPF.

13. It follows from the current housing land supply situation that there is no merit in adopting the plan on the basis of the proposed modifications. Inspectors hearing planning appeals are concluding that a five-year supply of housing land cannot be demonstrated now and that Paragraph 49 of the NPPF is engaged: requiring that the plan's policies for the supply of housing should be treated as out of date. The plan would, in effect, be out-of-date at the point of adoption, if adopted on the basis of the proposed modifications, including proposed the modifications relating to the

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programme for review (**DMM1**); the approach to new housing sites outside the urban in DSP7 (**DMM6** and **DMM7**) and the approach to modification of the housing allocations policy DSP40 (**DMM21**).

14. The proposed programme for review (**DMM1**), with adoption in mid-2018, will not address the immediate five-year shortage of housing land. The plan's housing policies will continue to be out of date.

15. Main Modification **DMM21** proposes to modify Policy DSP40 to provide additional flexibility in the supply of housing land. The Council states: *'This potentially allows for additional sites to come forward, over and above the allocations in the Plan, where it can be proven that the Council cannot demonstrate a five year land supply against the Core Strategy housing targets... In order to accord with Policy CS6 and CS14 of the Core Strategy, proposals for additional sites outside the urban area boundaries will be strictly controlled. Such proposals will only be considered if it is demonstrated through the Council's monitoring, or other evidence, that the Council cannot meet its five year land supply target against the housing requirements set out in the Core Strategy.'*

16. The Council proposes the following additional text to be added to the end of DSP40:

'Where it can be demonstrated that the Council does not have a five year supply of land for housing against the requirements of the Core Strategy (excluding Welborne) additional housing sites, outside the urban area boundary, may be permitted where they meet all of the following criteria:

- The proposal is relative in scale to the demonstrated 5 year housing land supply shortfall;*
- The proposal is sustainably located adjacent to, and well related to, the existing urban settlement boundaries, and can be well integrated with the neighbouring settlement;*
- The proposal is sensitively designed to reflect the character of the neighbouring settlement and to minimise any adverse impact on the Countryside and, if relevant, the Strategic Gaps*
- It can be demonstrated that the proposal is deliverable in the short term; and*
- The proposal would not have any unacceptable environmental, amenity or traffic implications.'*

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17. As it is clear that the Council cannot currently demonstrate a five-year supply of housing land, this policy should be engaged immediately and should not be proposed as *'a contingency position to deal with unforeseen problems of delivery...'*
18. Consequently, further modifications are required to Policy DSP40 (**DMM21**) and to Policy DSP7 (**DMM6** and **DMM7**) *'New Residential Development Outside of the Defined Urban Settlement Boundaries'*. It is clear that new residential development outside the defined boundaries of urban settlements is required now and the presumption against such development in Policy DSP7 cannot therefore be justified or sustained.
19. Further modifications are required to delete Policy DSP7 and to modify Policy DSP40 by deleting the introductory phrase (*'Where it can be demonstrated that the Council does not have a five year supply of land for housing against the requirements of the Core Strategy (excluding Welborne)'*) so that the Policy begins: *'Additional housing sites, outside the urban area boundary, may be permitted where they meet all of the following criteria:'*
20. The first criterion of Policy DSP4 should also be deleted (*'the proposal is relative in scale to the demonstrated 5 year housing land supply shortfall'*); both for consistency with the modified approach and because its meaning is not clear as currently drafted. The following wording could be substituted as the first criterion: *'they can make a significant contribution to serving the identified housing requirements of Fareham or the adjoining urban areas of neighbouring Boroughs.'*

Representations on Proposed Modification DMM27:

21. Main Modification DMM includes the addition of the following text to paragraph 6.20 in relation to the proposal for a *'new road to the east of the existing southern section of Newgate Lane'*:

'The scheme will require careful consideration to ensure that the route does not undermine the purpose of the Strategic Gap and does not result in any significant adverse effect on the physical or visual separation of Stubbington/Lee on the Solent and Fareham/Gosport. All stages of design, as the scheme progresses, will need to take account of the principles and criteria set out in Policy CS22 of the Core Strategy.'

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22. We welcome updating of the plan to include the proposed new road. The proposed modification recognises that the road will have implications for the Strategic Gap and seeks to ensure that the purpose of the Strategic Gap is not undermined and that there is no significant adverse effect on the physical or visual separation of settlements.

23. We have also suggested that a revision of the Strategic Gap boundary in this location is appropriate and possible without undermining the purpose of the Strategic Gap and without significant adverse effects on the separation of settlements. As no overall review of the Strategic Gap is proposed in the Main Modifications, development in accordance with Policy DSP 40 (with our proposed modification) should be considered in conjunction with the local adjustment of Strategic Gap boundaries in the vicinity of the proposed new road.

Representations on Proposed Modification DMM33:

24. Main Modification DMM33 proposes to replace the Monitoring Schedule on Page 199, Table 5, with a new table 5 as show in Appendix 7. This proposed modification does not respond to the discussion on Issue 10 during the Examination Hearings. The Council's monitoring framework is still focused entirely on performance and output indicators that are related to development plan policies. This approach may show whether the policies are being implemented, but it will not show whether the policies are right: i.e. whether they are having desirable or undesirable consequences. Monitoring of context and outcomes is required as well as monitoring of policy-based performance indicators.

25. This concern is exemplified in relation to housing where it is particularly important to monitor demand and requirements as well as supply. National Planning Practice Guidance provides relevant guidance in sections on the assessment of housing and economic development needs. These assessments need to be kept up to date by regular monitoring of market signals as well as periodic reviews of forecasts.

26. In particular, the following market signals should be monitored to assess the impacts of planning policies on the housing market, access to housing and the affordability of housing: land prices, house prices, rents, affordability ratios, rates of development, overcrowding, homelessness, households sharing or in temporary accommodation and concealed households.

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Representations on Proposed Modification DMM34:

27. We welcome the proposed correction to the Policy Map in relation to the expected incidence of Brent Geese and Waders on land east of Newgate Lane, to reflect information from the Hampshire Biodiversity Information Centre.