

FAREHAM

BOROUGH COUNCIL

Report to Planning Committee

Date **24 April 2019**

Report of: **Director of Planning and Regeneration**

Subject: **FIVE YEAR HOUSING LAND SUPPLY POSITION**

SUMMARY

The following report provides the latest update on the Council's Five Year Housing Land Supply position, and supersedes the update previously provided to the Planning Committee on 12th December 2018.

RECOMMENDATION

That the Committee note: -

- (i) the content of the report and the current 5-Year Housing Land Supply position;
- (ii) that the 5-Year Housing Land Supply Position set out in the attached report (which will be updated regularly as appropriate) is a material consideration in the determination of planning applications for residential development.

INTRODUCTION

1. The following 5YHLS position updates and supersedes those previously provided to the Planning Committee. It will continue to be regularly updated as appropriate and will represent a material consideration in the determination of planning applications. It should be noted that the Council's housing land supply position can go down as well as up depending on the circumstances relevant at any given time.

NATIONAL PLANNING POSITION ON HOUSING NEED

2. The requirement of the National Planning Policy Framework is for housing need to be calculated by a standard method, as set out in the Planning Practice Guidance.
3. The standard method uses household growth projections and house-price to earnings affordability data (produced by the Office for National Statistics) to calculate the Local Housing Need figure for a Local Planning Authority.
4. In February 2019, the Government confirmed that the 2014 based household growth projections should be used within the standard method to calculate the annual housing need figure. In late March 2019 the latest house price to earnings affordability data was published by the Office for National Statistics.
5. The Housing Delivery Test results were published by the Ministry of Housing, Communities and Local Government (MHCLG) in February 2019. These results require this Council to apply a buffer of 5% to its annual requirement.
6. The housing need figure for Fareham, using the standard method, is 520 dwellings per annum. Calculation of the Council's 5-Year Housing Land Supply Position based on an annual dwelling requirement of 520 and a 5% buffer gives a projected position of 4.66 years.

RISK ASSESSMENT

7. There are no significant risk considerations in relation to this report.

CONCLUSION

8. That the Committee note the content of the report and the updated 5YHLS position.
9. That the 5YHLS position set out in the attached report (which will continue to be updated regularly as appropriate) is a material consideration in the determination of planning application for residential development.

Enquiries:

For further information on this report please contact Lee Smith. (Ext 4427).

Fareham Borough Council
Five-Year Housing Land Supply Position

April 2019

1.0 INTRODUCTION

- 1.1 The National Planning Policy Framework (NPPF) requires Local Planning Authorities to identify and update annually a supply of specific deliverable sites to provide five years supply of housing against their housing requirements. The NPPF also requires an additional buffer of 5% (or 20% in the case of persistent under-delivery) to ensure choice and competition in the market for land.
- 1.2 This document has been prepared to provide the latest position on the 5 Year Housing Land Supply (5YHLS) in Fareham Borough. It will be updated at regular intervals to ensure the most accurate and up-to-date position is available. Updates will be provided to the Planning Committee when relevant and will also be advised on the Council's website.
- 1.3 This document is iterative/live and will only provide the most accurate position of 5YHLS at the time of publication. It is possible that sites will be omitted from the 5YHLS and then subsequently, when circumstances change, may feature again in a future iteration of the 5YHLS position (and vice versa). Likewise, delivery rates for included sites are not fixed and are subject to revision following correspondence with site promoters/ developers.

2.0 HOUSING NEED

- 2.1 The requirement through the revised NPPF is for housing need to be calculated through a standard method. The standard method is based on household growth projections and house-price to earnings affordability data published by the Office for National Statistics (ONS).
- 2.2 Since the last 5YHLS report was presented to the Planning Committee in December 2018, the Government has published changes to the household growth projections which are to be used to calculate the Local Housing Need figure. In addition to this, updated house-price to earnings affordability data has been published by the ONS.
- 2.3 In October last year the Government consulted on using older 2014-based ONS household projections, rather than the more up-to-date lower 2016 projections, to calculate local housing need. Following the consultation, the Government confirmed in February this year that the 2014-based ONS household projections should be used in the standard method calculation.
- 2.4 Use of the 2014-based household growth projections along with the updated house-price to earnings affordability data within the standard method results in the Council having a Local Housing Need figure of 520 dwellings per annum.
- 2.5 There remains a requirement in the revised NPPF to include at least a 5% buffer on top of the 5-year housing requirement, "to ensure choice and competition in the market for land".
- 2.6 The level of the buffer (5% or 20%) is now determined through the Housing Delivery Test, which has been introduced as part of the revised NPPF. The NPPF advised that each Council's Housing Delivery Test result will be calculated and published by MHCLG in November of each year, with the first result due in November 2018.
- 2.7 The results for the 2018 Housing Delivery Test (HDT) were finally published by the MHCLG on 19th February 2019. The results for Fareham were better than anticipated, with the Council achieving 137% in terms of the number of homes delivered.
- 2.8 Fareham's HDT results were considerably higher than the pass rate of 95%, which means that the Council can apply a 5% buffer to its five-year housing land supply position.

Fareham passed the test because the Government measurement appears to be against the Council's Adopted Local Plan rather than, as expected, against household projections. The 5% buffer increases the dwellings per annum requirement to 546.

3.0 HOUSING SUPPLY

3.1 The revised National Planning Policy Framework requires Local Planning Authorities to identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing against their local housing need. As such, this section sets out the different sources which make-up the Council's projected five-year housing supply.

Planning Permissions

3.2 A comprehensive list of all sites with outstanding planning permission at the start of each monitoring year is provided annually to the Council by Hampshire County Council. However, to ensure that this 5YHLS position provides the most accurate and up-to-date position, all new planning permissions up until the 31st March 2019 are also taken account of. Sites with planning permission are only included within the projected supply where there is clear evidence that the site is being delivered or will be delivered within the 5-year period. As such, where there is some indication that a planning permission will not be implemented then the site has been omitted from the 5YHLS on a precautionary basis. However, this may change if subsequent information comes to light to suggest the development will take place in the five-year period.

3.3 The monitoring of new permissions and the delivery projections of existing sites with planning permission will continue to be kept regularly up-to-date by Fareham Borough Council Officers, through regular correspondence with site developers.

3.4 Dwellings completed between 1st April 2018 and the 31st March 2019 have been removed from the 'Details of Projected Housing Supply for the 5-Year Period (1ST APRIL 2019 – 31ST MARCH 2024)' set out at Section 5 of this report. The level of completions is estimated at present based upon site visits undertaken by Officers and Council Tax information. The number of completions during the last financial year will be updated when the five-year housing land supply position report is next presented to the Planning Committee

Resolutions to Grant Planning Permission

3.5 Housing delivery from sites with a resolution to grant planning permission form a significant component of the projected supply. These consist of sites which have been approved by the Council's Planning Committee, but the formal grant of planning permission remains subject to matters such as the completion of a legal agreement (i.e. Section 106).

3.6 Based on information provided by applicants, these sites are expected to contribute fully to the Council's 5YHLS, however projections will be kept under review by the Council. It has been assessed that the 'up to' figures in the resolutions to grant permission are reasonable and achievable, however, should the subsequent reserved matters applications revise the development quantum then this may need to be reflected in future updates on the 5YHLS position, should those quantum be acceptable.

Adopted Local Plan Housing Allocations and Emerging Brownfield Sites

3.7 Officers have undertaken a review of the residual allocations and policy compliant sites from the adopted Local Plan to inform the 5YHLS position. This has been based on correspondence with the site promoter and Planning Officer judgement.

3.8 Members will be aware that in mid-December 2018, a substantial amount of supporting/

revised information was provided in connection with the current planning application for Welborne. The submitted information includes projected housing completions at Welborne within the next 5 years. The applicant, Buckland Development Ltd, have advised that they anticipate 30 dwellings would be delivered in 2020-21, 180 in 2021-22, 240 in 2022-23 and 240 in 2023-24. This would total some 690 dwellings in the five-year period.

- 3.9 In instances where Officers have gathered information on the timing and delivery rates from site landowners or developers, the Council have in some instances taken a more precautionary approach to delivery than may have been proposed by the site developer. This could be, for example, if they failed to allow sufficient time for planning permissions to be secured, or if the delivery rates were considered too optimistic. It is important that the Council has a robust basis for its 5YHLS calculations, as adopting a set of unrealistic assumptions may result in a 5YHLS figure that may not be accepted by an appeal Inspector.
- 3.10 This process of liaison with site promoters and developers will remain ongoing to ensure a robust and evidenced position on 5YHLS can be demonstrated.

Windfall Allowance

- 3.11 Paragraph 70 of the revised NPPF allows for an allowance to be made for housing delivery from windfall sites, providing that there is compelling evidence that they will provide a reliable source of supply having regard to historic windfall delivery rates and expected future trends. An allowance for windfall housing from small sites (1-4 units) has been included within the projected 5-year supply, but avoids any small-site windfall development in years 1-3 of that projection and any large-site windfall from the entire 5-year projection.
- 3.12 The windfall rates used in the 5YHLS projection are set out in the Council's Housing Windfall Projections Background Paper (2017)¹.

Calculating the 5YHLS

- 3.13 In summary, the 5YHLS position in this paper is based on the following: -
- Local Housing Need figure of 520 dwellings per annum.
 - Application of a 5% buffer on the Local Housing Need figure.
 - Outstanding planning permission data provided by Hampshire County Council up until 31st March 2018 and Fareham Borough Council records from 1st April 2018 until 31st March 2019.
 - Sites with a resolution to grant planning permission, allocated within the adopted Local Plan and emerging brownfield sites which are expected to deliver housing over the 5-year period 1st April 2019 to 31st March 2024.
 - Expected windfall development from small sites (1-4 units) in years 4 and 5 (i.e. 1st April 2022 – 31st March 2024).
 - Delivery projections and rates which are derived from detailed liaison with site developers (particularly for larger development sites).

¹ Available at: http://www.fareham.gov.uk/PDF/planning/local_plan/DraftLocalPlanEvidenceBase/EV24-BackgroundPaperHousingWindfallProjections.pdf

4.0 FIVE-YEAR HOUSING LAND SUPPLY POSITION

4.1 The following table provides a summary of the Council's current 5YHLS position as per the date of this paper.

HOUSING REQUIREMENT		
A	Local Housing Need: Dwellings per annum 2019-36	520
B	Local Housing Need: Total requirement for 1 st April 2019 to 31 st March 2024 (A x 5)	2,600
C	5% buffer to ensure choice and competition in the market for land (B x 5%)	130
D	Total housing requirement for period from 1st April 2019 to 31st March 2024 (B+C)	2,730
E	Annual requirement for period from 1 st April 2019 to 31 st March 2024 (d/5)	546
HOUSING SUPPLY		
F	Net outstanding planning permissions for small sites (1-4 units) expected to be built by 31 st March 2024 (discounted by 10% for lapses)	93
G	Net outstanding planning permissions for large sites (5 or more units) expected to be built by 31 st March 2024	644
H	Dwellings with a Resolution to Grant Planning Permission that are expected to be built by 31 st March 2024	831
I	Dwellings allocated in Adopted Local Plan (LP2 & LP3) that are expected to be built by 31 st March 2024	757
J	Dwellings from emerging brownfield sites (Adopted Local Plan - LP1 & LP2) that are expected to be built by 31 st March 2024	145
K	Small site windfall allowance (years 4 – 5) (37 dwellings x 2 years)	74
L	Expected housing supply for the period from 1st April 2019 to 31st March 2024 (F+G+H+I+J+K)	2,544
M	Housing Land Supply Position over period from 1st April 2019 to 31st March 2024 (L – D)	-186
N	Housing Supply in Years (L / E)	4.66 years

4.2 The above table shows the Council to currently have 4.66 years of housing supply against the 5YHLS requirement.

4.3 The full detail behind the projected five-year supply of 2,544 dwellings is provided in Section 5.

5.0 DETAILS OF PROJECTED HOUSING SUPPLY FOR THE 5-YEAR PERIOD (1ST APRIL 2019 – 31ST MARCH 2024)

PROJECTED SUPPLY	2019/20	2020/21	2021/22	2022/23	2023/24	Totals	Notes for 5Y Position
OUTSTANDING PLANNING PERMISSIONS - SMALL (1-4 dwellings) (10% discount)	31	31	31			93	10% reduction rate applied to account for likely lapses in permission.
OUTSTANDING PLANNING PERMISSIONS - LARGE (5 dwellings+)						644	
16 Botley Road, Park Gate (03/1439/FP)	6					6	Site under construction. 12 units completed 18/19.
3-33 West Street, Portchester (07/0042/FP)	16					16	Site under construction.
New Park Garage, Station Road, Park Gate (09/0672/FP)	14					14	Site under construction.
Land off Cartwright Drive, Titchfield (14/0741/FP)	40	46				86	Site under construction. Delivery projections as informed by HCC (2018).
100 Wickham Road, Fareham (14/1252/FP)		13				13	Details Pursuant to conditions now in P/14/1252/DP/A. Nothing to indicate that the site won't be developed in the 5-year period at this stage (April19)
Swanwick Marina, Bridge Road (15/0424/VC)		20	30			50	The site is still considered to be developed in the 5-year period at this stage.
123 Bridge Road, Sarisbury Green (15/0391/FP)	5					5	Site owned by FBC. Detailed planning in place and delivery expected to start in Spring 2019.
4-14 Botley Road, Park Gate (16/0295/FP)	46					46	Site under construction.
Land to rear of 405 & 409 Hunts Pond Road (P/16/1251/FP)	4					4	Site under construction. 6 units completed 18/19.

PROJECTED SUPPLY	2019/20	2020/21	2021/22	2022/23	2023/24	Totals	Notes for 5Y Position
189-199 West Street, Fareham (P17/0293/PC)	8					8	Development commenced. Nothing to indicate that the site won't be developed in the 5-year period at this stage.
Auto & Marine, 132 Highlands Road, Fareham (P/17/0366/FP)	5					5	Site under construction.
Land to rear of 184 Bridge Road (P/17/0697/FP)	8					8	Site under construction.
1 Station Industrial Park, Duncan Road, Park Gate (P/17/1219/PC)		15				15	No construction on site - remains offices. Expected to deliver in the 5-year period.
10 East Street, Fareham (P/17/1060/FP)			5			5	No construction on site at present but site is expected to deliver in the 5-year period.
Willows End, 312 Old Swanwick Lane (P17/1390/FP)			6			6	Details pursuant application approved April 18 to enable development to commence - expected to deliver in the 5-year period
Cranleigh Road, Portchester (Appeal allowed, Reserved Matters Application P/17/1170/RM)	40	40	24			104	Site under construction. 16 units completed in 2018/19.
Wykeham House School (P/17/0147/FP)	10	5				15	Site under construction.
Land east of Brook Lane, Warsash - Taylor Wimpey (P/16/1049/OA)		10	45	30		85	Permission granted by Planning Inspector following planning appeal (APP/A1720/W/17/31774/35). Reserved matters in

PROJECTED SUPPLY	2019/20	2020/21	2021/22	2022/23	2023/24	Totals	Notes for 5Y Position
Hampshire Rose, Highlands Road, Fareham (P/17/0956/FP)	18					18	Site owned by FBC. Detailed planning in place and development expected to start in Spring 2019.
Former Scout Hut Coldeast Way Sarisbury Green (P/17/1420/OA)			7			7	Outline planning approved in May 2018. Land expected to be transferred from HCA to FBC in Autumn 2018.
18-23 Wykeham Place (Former School Sports Hall), East Street, Fareham (P/18/0589/FP)	6					6	Site under construction.
Land North of Funtley Road, Funtley (P/17/1135/OA)		27				27	Full planning approved November 2018. Recent permission expected to deliver in 5 year period.
Southampton Road (Land at Segensworth Roundabout) (P/18/0897/FP)				41		41	Full planning approved December 2018 for 75 bed care home (housing delivery test ratio applied).
123 Barnes Lane, Sarisbury Green (P/18/0690/FP)				41		41	Full planning approved December 2018 for 75 bed care home (housing delivery test ratio applied).
Land to East of Bye Road (self/custom build) (P/17/1317/OA)		4	3			7	Full planning approved January 2019. Recent permission expected to deliver in 5 year period.
Land to south of Rookery Avenue, Swanwick (P/18/0235/FP)	6					6	Full planning approved October 2018. Recent permission expected to deliver in 5 year period.
RESOLUTION TO GRANT PLANNING PERMISSION – LARGE (5 dwellings+)						831	

PROJECTED SUPPLY	2019/20	2020/21	2021/22	2022/23	2023/24	Totals	Notes for 5Y Position
Land at Brook Lane, Warsash - Foreman Homes (P/17/0845/OA)		40	70	70		180	Resolution to grant outline planning permission at January 2018 Planning Committee for up to 180 dwellings, subject to a Section 106 agreement.
Land East of Brook Lane, Warsash – Bargate Homes (P/17/0752/OA)		20	40	40	40	140	Resolution to grant outline planning permission at January 2018 Planning Committee for up to 140 dwellings, subject to a Section 106 agreement.
Land South of Greenaway Lane, Warsash - Land & Partners (P/17/0998/OA)		25	60	60	12	157	Resolution to grant outline planning permission at May 2018 Planning Committee for up to 157 dwellings, subject to a Section 106 agreement. Projections pushed back one year compared with site promoter's submission.
Heath Road, Locks Heath – Hampshire County Council (LP2 H11) (P/17/1366/OA)		30	40			70	Resolution to grant outline planning permission at February 2018 Planning Committee for up to 70 dwellings, subject to a Section 106 agreement.
East & West of 79 Greenaway Lane, Warsash (P/18/0107/OA)		20	10			30	Resolution to grant outline planning permission at June 2018 Planning Committee for 30 dwellings, subject to a Section 106 agreement.

PROJECTED SUPPLY	2019/20	2020/21	2021/22	2022/23	2023/24	Totals	Notes for 5Y Position
Land South of Funtley Road, Funtley (P/18/0067/OA)		15	30	10		55	Resolution to grant outline planning permission at July 2018 Planning Committee for 55 dwellings, subject to a Section 106 agreement.
Land South West of Sovereign Crescent, Locks Heath (P/18/0484/FP)		8	30			38	Resolution to grant full planning permission at September 2018 Planning Committee for 38 dwellings, subject to a Section 106 agreement.
Moraunt Drive, Portchester (P/18/0654/FP)		16	32			48	Resolution to grant full planning permission December 2018.
Southampton Road (Reside) (P/18/0068/OA)		35	50	20		105	Resolution to grant outline planning permission December 2018.
Egmont Nurseries, Brook Avenue (P/18/0592/OA)			8			8	Resolution to grant outline planning permission December 2018.
ADOPTED LOCAL PLAN HOUSING ALLOCATIONS						757	
Wynton Way, Fareham (LP2 H3)				18		18	Site currently owned by HCC. Acquisition of site from HCC is agreed in principle but subject to negotiation. Pre-app has taken place and constraints plans complete to inform layout plan and yield. Expected to realistically delivery toward the latter part of 5-year period.

PROJECTED SUPPLY	2019/20	2020/21	2021/22	2022/23	2023/24	Totals	Notes for 5Y Position
335-337 Gosport Road, Fareham (LP2 H4)					12	12	Site currently owned by HCC. Pre-app has taken place and constraints plans complete to inform layout plan and yield.
Stubbington Lane, Hill Head (LP2 H12)			12			12	Site owned by FBC. Expected to deliver affordable homes in the short term. Pre-app has taken place and a concept design has been agreed in principle. Site is expected to deliver in the 5-year period.
Sea Lane, Hill Head (LP2 H13)			8			8	Site owned by FBC. Expected to deliver affordable homes in the short term.
Corner of Station Road, Portchester (LP2 H20)				17		17	Site recently purchased by FBC. Has existing resolution for 17 aged-persons apartments (P/16/0142/FP) subject to a Section 106 agreement. Expected to deliver in the short term.
Welborne (LP3)		30	180	240	240	690	Based on phasing information submitted as part of revised planning application.
EMERGING BROWNFIELD SITES						145	
Fareham Magistrates Court		45				45	Application received (P/18/1261/OA).

PROJECTED SUPPLY	2019/20	2020/21	2021/22	2022/23	2023/24	Totals	Notes for 5Y Position
Warsash Maritime Academy			50	50		100	Request for screening opinion (EIA) submitted February 2019 for the development of up to 100 dwellings, a care home of up to 66 beds and employment space. Projected delivery rates and timing remain subject to revision.
WINDFALL ALLOWANCE						74	
Small (1-4 units)				37	37	74	As per the rate set out in the Council's Windfall Background Paper (2017).
TOTAL PROJECTED HOUSING SUPPLY from 1st April 2019 – 31st March 2024	263	495	788	669	329	2,544	