

The Development Sites and Policies Plan

Fareham Borough Council

Response to Inspector's Question 2

January 2015

DCD-29

1 Introduction

- 1.1 On 22nd December 2014, following the circulation of a letter from Brandon Lewis MP to Simon Ridley, the Inspector asked the following further question to the Council:
- 1.2 *“Could the Council comment on whether or not the content of the letter has any implications for the Local Plan Part 2: Development Sites and Policies of which I should be aware. The letter and the Council’s response should be added to the Examination library.”*
- 1.3 A response was requested by 9th January 2015, and is set out below. The Inspector’s Question has been added to the Examination Documents (DID-12) and the letter has been added to the Library of Submission Documents (DOE5).

2 Purpose of the Letter

- 2.1 On 19th December 2014 Brandon Lewis (the Minister of State for Housing and Planning) wrote to Simon Ridley (Chief Executive of the Planning Inspectorate) to *“ensure our existing policy position on emerging evidence in the form of Strategic Housing Market Assessments is clear”* (DOE5). The letter points to direction within the National Planning Guidance, but seeks to further clarify this by setting out the relationship between Strategic Housing Market Assessments (SHMA) and the housing requirements in Local Plans.
- 2.2 The letter confirms the purpose of the SHMA and its role in setting housing requirements in Local Plans. It confirms that a SHMA *“is **just the first stage** in developing a Local Plan and councils can take account of constraints which indicate that development should be restricted.”* It puts emphasis on the need for Council’s to be given adequate time to fully consider SHMA evidence before taking these forward into housing requirements in their Local Plans: *“Council’s will need to consider SHMA evidence carefully and take adequate time to consider whether there are environment and policy constraints, such as Green Belt, which will impact on their overall final housing requirement. They also need to consider whether there are opportunities to co-operate with neighbouring planning authorities to meet needs across housing market areas. Only after these considerations are complete will the council’s approach be tested at examination by an Inspector.”*
- 2.3 Whilst the letter places clear importance on the production of SHMA’s, stating that they can *“provide important new evidence and where appropriate will prompt council’s to consider revising the housing requirements in their Local Plans.”* The need for Council’s to have adequate time to consider this new evidence is a key consideration. The letter states that *“we would expect councils to actively consider this new evidence over time and, where over a reasonable period they do not, Inspectors could justifiably question the approach to housing supply”*.
- 2.4 The conclusion of the letter is clear; that *“the outcome of a SHMA is untested*

and should not automatically be seen as a proxy for a final housing requirement in Local Plans. It does not immediately or in itself invalidate housing numbers in Local Plans.”

3 Implications for Local Plan Part 2: Development Sites & Policies Plan

- 3.1 The Council considers the content of the letter to be relevant to the circumstances of LP2. The Council maintains that the primary purpose of LP2 is to complete the Local Plan, and is, therefore, required to allocate sites to deliver the requirements set out in the Core Strategy (DLP02), which was adopted in 2011. It is not considered the role of LP2 to review housing requirements as these have already been set through the Core Strategy.
- 3.2 However, a number of previous representations, and much of the tabled discussions on the hearing session on housing, have revolved around the presence of the SHMA (DPH06) for the housing market areas that exist in the Borough, and the need to take these into account. The SHMA (DPH06), which was completed by the Partnership for Urban South Hampshire (PUSH) in January 2014, concludes that provision of 4,160 homes per annum across the PUSH area until 2036 would form a robust basis for development plans, based on the demographic evidence and current market signals.
- 3.3 The Council has, in DCD24 (paragraphs 2.1-2.9), explained why little weight has been attached to the SHMA at this stage. As confirmed in the letter from Brandon Lewis, the SHMA is a “starting point” from which housing requirements for individual authorities can be derived. The letter also confirms that there are a number of stages required to take the evidence from the SHMA before housing requirements can be drawn. Environmental and policy constraints must be considered, and there is also a need to consider the housing needs of neighbouring areas. These, as yet, have not been taken into account of in the South Hampshire sub-region, thus the SHMA figures “*should not automatically be seen as a proxy for a final housing requirements in Local Plans*” (DOE5).
- 3.4 The Council considers that the most appropriate way of taking forward the figures within the 2014 SHMA is through the revision of the South Hampshire Strategy (SHS), anticipated to be completed in early 2016. This will then be immediately followed by an early review of the Fareham Local Plan informed by the revised SHS and taking full account of the 2014 SHMA and other relevant up-to-date evidence. This process will not only allow the distribution of development requirements to be dealt with at a sub-regional level, taking account of all relevant constraints and opportunities, but also allows the Council to fully meet the requirements of the duty to cooperate. This process to derive future housing requirements is considered to be completely in line with the wording of the letter.
- 3.5 Whilst the letter does confirm that Inspectors can question an approach to housing supply if the findings of the SHMA are not actively considered over a “reasonable period of time”, this is not considered to be applicable to LP2. The SHMA figures were published in early 2014 and a process to take these

forward through the review of the South Hampshire Strategy was then started in May 2014, with completion due in early 2016. The timeline for the review of the South Hampshire Strategy is set out in more detail in DCD-24 paragraph 1.1. This review will then provide the basis for a comprehensive review of the Local Plan, part of which will be the setting of revised housing requirements.

- 3.6 The Council's commitment to an to an early review of the Local Plan is emphasised in a modification paragraph 1.11 to the Submission version of the Plan as follows, with new text underlined and deleted text ~~struck through~~:

~~The Council's commitment to an early review of the Local Plan is reiterated in the Local Development Scheme. The Council is committed to review the Local Plan, and this is set out in the Local Development Scheme (Revised September 2014), which was agreed at Fareham Borough Council's Executive Meeting on the 1st September 2014. The Council's timetable for the Local Plan Review allows the Authority to take account of the current review of the South Hampshire Strategy. The timetable for the review of the Local Plan is as follows:~~

- Summer 2016 – Consultation on draft Local Plan (Regulation 18)
- Summer 2017 – Publication of pre-submission Local Plan (Regulation 19)
- Autumn 2017 – Submission to Secretary of State (Regulation 22)
- Winter 2017 – Examination (Regulation 24)
- Spring/Summer 2018 – Adoption (Regulation 26)

The Local Plan Review undertaken by the Council will be comprehensive in nature, updating and reviewing the adopted Core Strategy, Development Sites and Policies and Welborne Plans, to form one Local Plan.

4 Conclusion

- 4.1 Overall the Council believes the letter (DOE5) to be useful to the examination of LP2 as it helps clarify the link between the housing requirements of Local Plans in light of evidence from SHMAs. LP2 does not set housing requirements, but seeks to complete the process started by the Core Strategy. Notwithstanding this, the letter confirms that the SHMA "*should not automatically be seen as a proxy for a final housing requirements in Local Plans*" and "*does not immediately or in itself invalidate housing numbers in Local Plans*". This is of specific relevance as it serves to counter the representations which argued that the presence of the SHMA, even without further work, renders the housing figures in LP2 out-of-date.
- 4.2 The Council welcomes the clarity provided by this letter (DOE5) and believes that the approach taken through LP2 is fully in accordance with its content.