

Fareham Borough Council Local Plan Examination Council's Response to Inspector's Matters and Issues

Matter 3- Housing Need and Supply

Housing requirement

1. What is the justification for the conclusion in paragraph 4.3, that the Plan should not plan for a higher level of housing need than the standard method Local Housing Need suggests?

- 1.1 Planning Practice Guidance (PPG) is clear that the standard method is a minimum starting point and that there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates. The circumstances that may be appropriate are set out in the PPG (Paragraph: 010 Reference ID: 2a-010-20201216): Growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals);
- Strategic infrastructure improvements that are likely to drive an increase in the homes needed locally; or
 - An authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground.
- 1.2 The Council can confirm that there are no specific growth strategies with funding in place to promote and facilitate additional growth that apply to Fareham Borough. The Partnership for South Hampshire Economic, Employment and Commercial Needs (including logistics) Study (EMP004) (paragraph 9.49, page 64) advises that for the PfSH area, "*...there is considerable 'headroom' in the Standard Method to be more economically ambitious than our 'need' analysis would suggest. This headroom could extend to 50,000 – 60,000 more new jobs than in the Experian forecast. So even a nationally significant investment of say, 20,000 additional jobs would not require more new homes.*"
- 1.3 There are also no strategic infrastructure improvements that would be likely to drive an increase in the homes needed locally. However, as referenced above, were significant strategic infrastructure improvements to come forward, there is significant headroom within the existing housing need figures.
- 1.4 However, in relation to the third bullet point/option referenced in the PPG, the housing requirement has been increased to take account of unmet need in the sub-region. The plan makes provision for 900 additional homes accordingly, as set out in Table 4.1 of the Plan (1,000 when you add the contingency in supply). The rationale and justification for the scale of this contribution is set out in the Council's answer to Matter 3, Question 6.
- 1.5 Affordable housing need is another factor to be taken into account, as set out in Planning Practice Guidance (Paragraph: 024 Reference ID: 2a-024-20190220), when considering whether an increase in the housing requirement may be necessary where it could help deliver the required number of affordable homes. The Council believes it is fully justified in its approach towards meeting affordable housing need, as set out in the Council's response to Matter 3, Question 13 and there is no further requirement for an adjustment of the housing need figures for the Borough above the standard method.

2. Has the Council been asked if it can accommodate any unmet housing needs from other local authorities within the Housing Market Area (HMA)?

- 2.1 Yes, Portsmouth City Council have asked whether Fareham can accommodate some of their unmet housing need. No other local authority within the HMA have asked the Council to take unmet need, however, PFSH are in the process of undertaking work to identify the level of unmet need in the sub-region. This work, which is not yet in the public domain, will identify a number of Strategic Development Opportunity Areas (SDOA's) and different development scenarios which could be selected to address identified unmet need. Fareham have engaged constructively with PFSH on this work to date. More detail on the current position with Portsmouth City Council and further unmet need in the sub-region are set out in the Council's responses to Matter 3, Questions 3 and 6.

3. The Statement of Common Ground (SoCG) with Portsmouth suggests their unmet need is now 800 dwellings, not 669 as identified in paragraph 4.5 of the Plan. What is the current position?

- 3.1 Portsmouth City Council has continually maintained its unmet need position throughout the FBC Local Plan process, including the request to FBC to plan for an element of unmet need. A formal request to FBC was made by PCC in February 2020 in response to the Fareham Local Plan Supplement Consultation. This request was for 1,000 dwellings. Strategic Policy H1 (Housing Provision) includes a contribution of 900 homes (plus 11% contingency) towards unmet need from neighbouring authorities. The last published position of Portsmouth City Council (PCC) unmet need was in the PCC Regulation 18 Local Plan consultation (September 2021), which identified a need of 17,701 dwellings and a supply of 16,993 leaving an unmet need of 708 dwellings. On that basis, an estimate of 800 dwellings was considered suitable for the SoCG (SCG003) between the two Councils.
- 3.2 Paragraph 3.8, page 5 of the SoCG (SCG003) states that the projected shortfall is likely to change as the plan progresses. The PCC Reg 18 consultation document identified a possible contribution of up to 1,000 units from other local authorities, whilst Duty to Cooperate discussions continue and as PCC's final unmet need housing figure is determined. PCC had a previous agreement (Aug 2019) with Havant Borough Council for any buffer supply over and above Havant borough's housing need to contribute towards the unmet housing need in Portsmouth, but this was superseded by revised Statement of Common Ground (Feb 2021) between the two authorities, following a change to Havant BC's approach to housing supply resulting in no excess 'buffer' of homes available to meet PCC's unmet need. PCC has not made any formal request to other local authorities, other than Fareham, regarding unmet housing need at the stage. Both authorities therefore agree (paragraph 3.12, page 5, SCG003) that the inclusion of a contribution towards unmet need made by FBC of 900 homes plus a contingency of 11% to address any potential slippages in delivery is an appropriate contribution given the continued uncertainty over sub-regional unmet need.
- 3.3 Following the Regulation 18 consultation on PCC's emerging Local Plan, PCC are preparing a new position based upon the responses through an update to the Housing and Economic Land Availability Assessment. This is anticipated to be revised by March 2022. It is expected that both the overall need and supply may fall due to revising of the buffer approach and reduction on the small site and strategic site supply. There is likely to still be unmet need, though the exact quantum is being worked through at present.

- 3.4 A letter from PCC is appended (appendix 1) to this statement confirming the situation presented above.

4. The above SoCG also suggests a contingency of 11% should be added to the 900 dwellings. Is this included in Table 4.1 of the Plan?

- 4.1 No, the contingency is a product of the supply position, rather than being added to the requirement.
- 4.2 Table 4.1 of the Plan sets out the housing requirement for the Borough over the plan period and includes the 900 dwellings to contribute towards unmet need. This results in a total housing need of 9,556. Adding a contingency buffer to the requirement is not one of the situations listed in the PPG for when a Council might apply a higher housing requirement than the standard method, as noted in matter 3, question 1.
- 4.3 Table 4.2 sets out the total supply position and demonstrates that there are sufficient sites to provide 10,594 net new homes across Fareham Borough over the plan period and it is this figure which includes the contingency buffer. Whilst the contingency buffer is not added to the unmet need contribution in table 4.1 (much as the 11% contingency on meeting Fareham's own need is not added here), the supply position includes an 11% contingency buffer to the total housing requirement *including* the unmet need contribution.

5. Are specific sites identified to meet Portsmouth's need? If so, which sites and are they located within the Portsmouth HMA?

- 5.1 No specific sites have been attributed to meeting Portsmouth's unmet housing need. However, there are a number of housing allocations to the east of the borough which are within the Portsmouth Housing Market Area.

6. Given the current suggested unmet need for the sub region of around 10,750 dwellings, should the plan make a greater contribution to meeting these needs?

- 6.1 No, the plan should not make a greater contribution to meeting unmet need for the sub-region, the Council has considered the most appropriate Development Strategy for the Borough, with the focus being the concept of good growth as set out in paragraph 3.4 of the Plan. This Development Strategy has been used to determine the suitability of proposed sites for development, alongside a wide range of other factors that are more appropriate at a more localised level such as the need to protect and enhance the historic environment, ecological issues and factors related to environmental health. The suitability, availability and achievability of all sites have been assessed through the Strategic Housing and Employment Land Availability Assessment (SHELAA) in accordance with the Planning Practice Guidance. All sites that have been assessed as being deliverable either already have planning permission or have been allocated in the Local Plan and the Council are therefore confident that the supply outlined in the Local Plan has been maximised and there is no scope for Fareham to take any additional unmet need.
- 6.2 Furthermore, the SOCG signed between the Council and the authorities of the Partnership for South Hampshire (PFSH) (SCG005) suggests that our contribution to unmet need is appropriate, it sets out that both parties acknowledge that the unmet need position is changing as plans develop, and as the housing need and supply picture across the sub-

region changes, and that the Fareham Local Plan has reached the Regulation 19 Publication stage before information on the Strategic Development Opportunity Areas (SDOAs) is advanced enough to influence Local Plans. However, PfSH recognises Fareham's contribution to unmet need and continued work in the partnership. The Council are supportive of the PfSH work and the Council remain an active partner in discussions. Should the Joint Strategy work identify sites not considered suitable for development in the Fareham Local Plan technical evidence, this would be a matter for the Local Plan review.

7. Will the level of housing growth proposed be sufficient to support the economic growth expectations of the plan and the wider sub region?

- 7.1 Yes, the level of housing growth will be sufficient to support the economic growth expectations of the plan and wider sub-region.
- 7.2 The PfSH Economic, Employment and Commercial Needs Study (EMP004) sets out the relationship between the need analysis for employment land and the Standard Method for determining housing. Paragraph 9.46 of EMP004 concludes that there is no reason to consider more new homes above the Standard Method to unlock economic growth and address pre-existing labour supply constraints across the south-Hampshire sub region. Nor is there any need to increase economic need simply because more houses are being built.
- 7.3 The conclusion in the report (para 9.49) is that there is considerable 'headroom' in the Standard Method to be more economically ambitious than the employment need figures would suggest, meaning that the level of housing growth proposed is sufficient, and in excess of that required to support the economic growth expectations of the Plan.

8. Is the proposal in Policy H1 to step the housing requirement justified. Does this suppress housing delivery and impact on the plans ability to meet housing needs in the early years of the plan?

- 8.1 The Council considers a stepped requirement is justified. The intention is not to suppress housing delivery or needs, but to ensure that the policies within the plan, once adopted, can carry full weight as soon as possible given the penalties arising from the Housing Delivery Test. The approach has been carefully considered in line with the PPG and is explained below.
- 8.2 A fundamental principle of the Framework is that strategic policies should deliver the full objectively assessed need for housing by the end of the plan period. The submitted Plan allocates sufficient land to satisfy this requirement. The PPG (Paragraph: 021 Reference ID: 68-021-20190722) states: "*A stepped housing requirement may be appropriate where there is to be a significant change in the level of housing requirement between emerging and previous policies and / or where strategic sites will have a phased delivery or are likely to be delivered later in the plan period*". Both of these situations apply to Fareham. The housing requirement from the Development Sites and Policies Plan and the Welborne Plan between 2011 and 2026 is 5,065 which equates to an average annual requirement of 337.67 homes, therefore the Standard Method figure of 541 represents a significant change in the level of housing requirement. Furthermore, the housing trajectory set out in FBC001 demonstrates that there are a number of strategic sites that will start to deliver in the middle part of the plan period.

- 8.3 The PPG goes on to say that ‘*Strategic policy-makers will need to identify the stepped requirement in strategic housing policy, and to set out evidence to support this approach, and not seek to unnecessarily delay meeting identified development needs. Stepped requirements will need to ensure that planned housing requirements are met fully within the plan period.*’
- 8.4 It is important to note that the stepped housing target set out in Policy H1 is not expressed as a maximum figure and therefore allows for more dwellings than the target to be delivered per annum. The housing trajectory set out in the Council’s Response to INSP001 (FBC001) sets out the anticipated delivery rates and demonstrates the Council’s commitment to meeting the Borough’s objectively assessed housing need in full by 2037 and maximising housing delivery, both in the short and long term. However, it does demonstrate the phased delivery of some strategic sites, and more specifically, the low levels of completions expected in the immediate term, largely due to the Council’s inability, during the period February 2019-August 2021, to grant planning permissions because of the nutrient neutrality issue (further explained in the HDT Action Plan (FBC008).
- 8.5 The delivery assumptions that have informed the housing trajectory in FBC001 are set out in Matter 7 Question 6 and consequently the Council is confident that the delivery rates are reasonable and realistic. The total housing requirement and stepped targets set out in Policy H1 reflect what can be delivered as evidenced by the SHELAA and ongoing engagement with relevant parties. Anticipated delivery rates are set out below in table 1.

Table 1: Delivery Rates in the Submitted Local Plan

	2021/ 22	2022/ 23	2023/ 24	2024/ 25	2025/ 26	2026/ 27	2027/ 28	2028/ 29
Projected Completions	244	501	793	736	609	849	695	617
	2029/ 30	2030/ 31	2031/ 32	2032/ 33	2033/ 34	2034/ 35	2035/ 36	2036/ 37
Projected Completions	644	611	801	752	752	652	666	672
Total								10,594

Source: Appendix B of the Publication Local Plan

- 8.6 Paragraph 35b of the Framework requires plans to set an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence. The Council has considered reasonable alternatives in delivering its housing requirement across the plan period. The key driver for setting the stepped housing targets is the ability to meet the requirements of the Government’s Housing Delivery Test. The Council has looked at what our projected HDT results would be based on recent delivery rates and projected completions going forward. A higher number or an annual need of 598 (541 plus unmet need) would have a detrimental effect on proper planning and development management in Fareham. The Housing Delivery Test, if applied to a higher number, would result in penalties, notably the tilted balance, being applied and development in Fareham not being genuinely plan led for a number of years. The tables below provide a comparison with and without the stepped requirement.

Table 2: Projected HDT Results with Stepped Requirement

HDT	2019/20	2020/21	2021/22*	2022/23*	Total Delivered	Total Requirement	Result
2022	285	117	244		646	1070**	60%
2023		117	244	501	862	942	92%

* Projected delivery based on Local Plan Housing Trajectory

** Requirement based on the assumption that the plan is adopted before the HDT 2022 results are published

Table 3: Projected HDT Results with Standard Methodology Requirement plus Annualised Unmet Need Contribution (Total 598 dpa)

HDT	2019/20	2020/21	2021/22*	2022/23*	2023/24*	Total Delivered	Total Requirement	Result
2022	285	117	244			646	1368**	47%
2023		117	244	501		862	1538	56%
2024			244	501	793	1538	1794	86%

* Projected delivery based on Local Plan Housing Trajectory

** Requirement based on the assumption that the plan is adopted before the HDT 2022 results are published

- 8.7 Table 2 demonstrates that even with the stepped housing requirement starting at 300 dwellings per annum, the Council is still expecting to fail the 2022 HDT, in fact the housing requirement for 2021/22 would need to be 91 to achieve a result of 75%. The Council considered that such a low requirement would attract significant objection through the consultation and examination process, and that a more acceptable level was 300, given that completion rates have generally been in the region of 300 dwellings in recent years (completions have ranged from 285 to 367 between 2015/16 and 2019/20). In fact, only 23 representations received during the revised Publication Plan consultation included comments on the proposed stepped requirement. Table 3 shows what our projected HDT results would be based on a level housing requirement (standard method figure plus the annualised unmet need contribution i.e. 598 dpa). Even with the stepped requirement, upon adoption of the Plan, under paragraph 11d of the Framework, our housing policies would be deemed to be out of date until the results of the 2024 HDT are published (i.e. January 2025) and so the Council would face challenge to apply full weight to them. However, this conflicts with the plan-led system and the requirement of a Local Plan to set the development strategy for the borough.
- 8.8 The recently adopted New Forest District Council Local Plan sets out a phased approach to their housing requirements in order to address the penalties of the Housing Delivery Test. As set out in Paragraph 263 of the Inspector's report (FBC026), it was considered that in

principle this was a justified approach given the significant increase in the annual average housing requirement compared with the existing Core Strategy (521 compared with 196 homes per year) and the need for delivery rates to increase compared with recent levels. It also recognises the reality that in many cases the strategic site allocations will take time to start delivering given the requirements for infrastructure works. It is considered that there are similarities with Fareham in that housing delivery rates need to increase significantly as well as many site allocations not anticipated to commence in the early part of the plan period.

- 8.9 The stepped requirement has been set at the proposed level so that the Council passes the HDT as soon as possible and avoids the presumption in favour of sustainable development as far as possible, and particularly in a situation of a recently adopted Local Plan. It also ensures that the Council will meet their housing requirement over the plan period as required by the Framework. The stepped requirement only proposes a modest reduction for the first three years and from 2024/25 onwards, the annual housing requirement exceeds the Standard Methodology requirement.
- 8.10 As set out in the Housing Delivery Test Action Plan (FBC008), delivery has been constrained in recent years due to the issue of nutrient neutrality and the unprecedented emergence of Coronavirus, although the Council recognises and welcomes the reduction in requirement that has been applied to HDT 2020 and HDT 2021 results – it has been lobbying Government for a number of years on the nutrient neutrality issue to no avail despite the number of homes permitted in 2019/20 dropping to just 73 making it impossible to see anywhere near the 541 homes that would be required by the Standard Method being built in subsequent years. The number of houses built in any given year is, in part, a reflection of the number of sites with planning permission and there is a lag between the granting of planning permission and the completion of new home on sites. Therefore, even if the housing requirement was not stepped, it would not boost housing delivery in the short term.

Affordable housing requirement

9. What is the annual net need for affordable housing in the borough? For clarity for decision-makers, developers and local communities should the need for affordable housing be clearly set out in the Plan?

- 9.1 The Framework does not include a requirement for an annualised need and as such, the Plan does not set out an annual net need. The affordable housing need is identified in the Council's Affordable Housing (AH) Strategy (HOP001) and referenced in paragraph 5.30 of the Plan.

10. Has the affordable housing need been correctly established, and is it based on up-to-date information?

- 10.1 The Council consider the affordable housing need has been correctly established in line with the PPG requirements. Further information relating to this was provided as part of the Council's response to the initial questions (FBC001), and in short relies on data from the Council's own waiting list, Help to Buy South and the numbers of households in the private rented sector.
- 10.2 In determining the need of 3,500 in the AH strategy, the figures were 1,000 from the housing waiting list, 1,000 from the Help to Buy database, 1,000 from residents that were renting

privately or priced out of home ownership and 500 from newly formed households as highlighted on page 11 of HOP001. That information was gathered in 2019 and since then, several important updates have been made which have led to a reduction in that need.

- 10.3 Firstly, to support the introduction of a new housing system in 2022, Fareham Housing (a department of the Council) is on the cusp of completing a complete review of the current Housing Register. The criteria for eligibility on the Housing Register has not changed, the review has instead sought to ensure all information is up to date and still valid. In many instances, circumstances may/will have changed (such as the housing needs are now addressed elsewhere, or overcrowding no longer applying) or in other cases there may have been a death, or an individual has moved out of the area. The Housing Register contains circa 650 households rather than previous 1,000. The final figure can be confirmed to the Inspector on or before the scheduled Hearings.
- 10.4 The need from the Help to Buy South has also reduced to 796 households since the affordable housing need (as outlined in the Council's Affordable Housing Strategy) was established, which is set out in FBC001.
- 10.5 Therefore, the need established at the time of writing the AH strategy and pulled into the Plan was correctly established and based on up to date information at that time. However, since then, the Council is aware of at least two sources of data that now show a reduced need and the total need figure is now 2,948 as of 2nd February 2022.
- 10.6 The Inspector may also wish to note that Fareham Housing officers reported to the Council's Housing Scrutiny Panel on the 3rd February 2022 about the changing emerging information on affordable housing need and have indicated that a partial review of the Affordable Housing Strategy is expected to take place during 2022/23 to reflect this. Minutes from this meeting are publicly available and can be provided to the Inspector on request.

11. How does it compare to the housing requirement?

- 11.1 The methods for calculating the overall housing requirement and the affordable housing requirement are different as outlined in the NPPF and consequently the PPG. They should not be directly compared. The need outlined in 2019 for 3,500 affordable homes is approximately 36% of the Plan's overall housing requirement. Given that that the need figure has reduced to 2948, this equates to approximately 30% of the Plan's overall housing requirement which is closer to past delivery rates.

12. Based on the requirement for qualifying developments to provide affordable housing as set out in Policy HP5, how many affordable homes is the Plan expected to deliver?

- 12.1 The Plan is estimated to deliver approximately 2,708 affordable homes in total based on outline and full planning permissions, resolutions to grant and allocations in the Local Plan. Furthermore, given the four sites listed below have committed (with approved planning permissions) to delivering 100% affordable units this will increase to 2,804.

Table 4: Trajectory of Affordable Housing Supply Over the Plan Period

	2021 - 2026	2027 - 2032	2032 - 2037
PP's granted/RTG	786	303	180
Greenfield Sites	83	493	410
Brownfield Sites	103		
Town Centre	7		175
Windfall		77	91
TOTAL	979	873	856

12.2 The Council has taken the opportunity to boost the provision of affordable housing through the Plan.

12.3 The Council's intention (and the objective of the Plan) is to maximise the opportunities for affordable housing delivery without compromising the viability of schemes in line with the Framework and PPG. The Council has set out a number of measures to achieve this over the Plan period which includes:

- Setting realistic and viable proportions of affordable housing for qualifying developments through Policy HP5 and proactively allocations sites for affordable housing such as Menin House (HA49) and Redoubt Court (HA 51).
- Supporting schemes that deliver a larger percentage of affordable homes than required by Policy. Examples of this include developments by Vivid (the largest Registered Provider stockholder in the borough). Vivid are a Strategic Partner with Homes England enabling them to access greater funding streams for affordable housing delivery. There are four sites advanced (either granted planning permission or have a resolution to grant) through the Development Management process for 100% affordable home delivery at Moraunt Drive (48 dwellings permitted in May 2021), Newgate Lane East (99 dwellings granted on appeal in June 2021), Land east of Southampton Road (95 dwellings) and Land to the east and west of the Red Lion Hotel (18 units and has a resolution to grant planning permission). This trend is expected to continue with another Registered Provider active in the Borough also becoming a Strategic Partner in late 2021.
- The Council's own new build affordable house building programme which was reignited in 2018 in recognition of the low level of affordable housing delivery and has a growing pipeline of new sites and regeneration opportunities.

12.4 These measures allow the Council to bring forward as much affordable housing as possible over the Plan period with what can be viably achieve.

13. How does this compare to the identified need?

13.1 The updated affordable housing need identified in the response to Question 10 is 2,948. The Council have identified a supply of 2,708 over the Plan period. It should be noted that Table.1 in Question 12 demonstrates that a significant number of affordable homes will be

provided in the first five years of the Plan period when compared to the number of applications on the housing waiting list.

13.2 In addition to the provision of affordable housing on qualifying sites and sites allocated through the Plan for affordable housing the Council has supported and will continue to facilitate and support other initiatives to deliver affordable housing to meet the identified need as identified in the Council's response to question 12. This includes:-

- The delivery of 100% affordable sites through the Council's Housing Team which are Council owned sites that have been identified through the Affordable Housing Strategy and as updated to the Council's Housing Scrutiny Panel.
- Supporting schemes to convert planning permissions granted for market housing to affordable housing. The delivery of sites via Registered Providers that operate in the Borough such as Abri and Vivid Homes. Homes England Government Strategic Partnership Grants that allow Registered Providers such as Abri and Vivid to deliver 100% affordable housing schemes on sites with a planning consent. The Council can provide evidence of this at the Inspectors request. Question 12 above highlights that there are sites that have been recently permitted on the basis of supplying 100% affordable on site to boost the Council's supply. This is over and above the supply at the point of submission.
- Homelessness prevention and reduction initiatives, helping to deliver the Councils Homelessness and Rough Sleeping Strategy.
- Supporting the development of rural housing exception schemes through Policy HP6.

13.3 Therefore, the Council consider that they meet the need identified in the Plan.

13.4 The Council acknowledge that there is a change to the overall affordable housing need figure and therefore would be happy to make a factual modification to paragraph 5.30.

14. How does this compare to past performance? How many affordable homes have been provided as a percentage of total output over the past 5-10 years?

14.1 Within the last ten years (2011/12 – 2020/21 inclusive) the Council has provided 598 dwellings which is highlighted in Table 4 of the Council's latest Authority Monitoring Report (AMR) for 2020/21 (FBC027). The total housing completions over 10 years is 2,657 and therefore the affordable housing average percentage delivered is 23%. Table 4 of that AMR provides an overview of affordable housing delivery as a percentage of total output since 2011/12. Paragraph 3.6 of this AMR points to improved delivery in the coming years. Between 2011/12 and 2017/18 (excluding years when the figures were distorted by prior approvals and delivery affected by nutrient neutrality¹) the average percentage of new homes that were affordable was 27%, which is comparable to expected rates of delivery as expressed in Question 12. Much of past delivery was focused on smaller sites, many of which fell below the site threshold for affordable housing provision, a trend expected to be different for the period of the submitted Local Plan.

14.2 The Council would draw the Inspector's attention to increased government initiatives aimed at improving the delivery of affordable homes. More recent programmes led by Homes England and the Department for Levelling Up, Housing and Communities include the Affordable Homes Programme 2021-26 (£7.39 billion for affordable home development outside of London) and the Strategic Partnership approach. Two large Registered Providers

¹ See Council's response to Matter 3, Question 8

who operate in Fareham Borough (Vivid and Abri) now have Strategic Partnership status, as referenced above in Question 13.

- 14.3 The Council are proactively boosting the supply of affordable housing in the borough through its delivery arm 'Fareham Housing' and have recently completed 100% affordable schemes at Rose Court and Oak Tree Close, and it is anticipated that the supply of affordable housing will increase in the future. The Council intend to keep the supply of affordable housing under review and adjust the need for future Plans where necessary.

Appendix 1 – Portsmouth City Council Unmet Need Correspondence



Pete Drake,
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Phone: [REDACTED]

24 January 2022

Dear Pete,

Re: Fareham Borough Council - Local Plan 2037 - Portsmouth City Council response

Please find below the response to your email of the 10th of January, in regard to the City Council's unmet housing need.

Portsmouth City Council unmet housing need

The most recently published position was set out in the Council's draft Local Plan Regulation 18 consultation (September 2021), which identified a need of 872 dwellings per annum (17,701 dwellings for the plan period) and an estimated supply of 16,993. It was emphasised (para. 2.1.9) the level of unmet need is expected to change as the plan progresses, including the need to take account of strategic site options (and impacts on potential implementation rates during the plan period), any under delivery against the government's housing need targets, planning permissions and any secured housing supply through the Duty to Cooperate. An estimate of 800 dwellings of unmet need was therefore used for the *Statement of Common Ground* between Fareham Borough Council and Portsmouth City Council (September 2021).

PCC had a previous agreement (Aug 2019) with Havant Borough Council for any buffer supply over and above the borough's local housing need to contribute towards the unmet housing need in Portsmouth, but this was superseded by revised *Statement of Common Ground* (Feb 2021) between the two authorities, following a change to Havant BC's approach to housing supply resulting in no excess 'buffer' of homes available to meet PCC's unmet need. PCC has not made any formal request to other local authorities regarding unmet housing need at the stage.

The Council has been in on-going discussions with neighbouring authorities through the Duty to Cooperate, both unilaterally and through the Partnership for South Hampshire (PfSH) work on the cross-boundary distribution of housing supply in the

sub-region and identifications of 'Strategic Development Opportunity Areas' to accommodate unmet housing need. The Council's 'Reg 18' consultation document identified a possible contribution of up to 1,000 units from other local authorities whilst Duty to Cooperate discussions continue and as Portsmouth's final unmet need housing figure is determined.

The Council has received a number of representations to its draft Local Plan Regulation 18 consultation regarding housing need and supply options. The Council is currently considering these representations and undertaking a review of the supporting Housing and Economic Land Availability Assessment (HELAA), including a new 'Call for Sites' and full review of the estimated small site deliverability. The 2021 HELAA identified that a review of small site deliverability could reduce this source of housing supply by approximately 400 - 1,200 dwellings. We are also considering the Plan's approach to appropriate supply buffers for housing need, in-line with the approach of other local authorities' in south Hampshire.

In view of the constraints of developable land and deliverability in Portsmouth, it is acknowledged that it is very unlikely that the city will be unable to meet its full housing need target set by the Government. The review of the HELAA is expected to be completed by March 2022 and will confirm the revised unmet need position. A paper on the direction for the new Portsmouth Local Plan is also expected to be published for a Portsmouth City Council Cabinet meeting in March.

Yours sincerely,

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Head of Planning Policy

Email: 