



# Fareham Local Plan Examination

## **Matter 3 Hearing Statement**

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## MATTER 3: HOUSING NEED AND SUPPLY

Q1 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?

- 1.1.1 The Plan has based its housing proposals on the annual housing target derived from the Government's Standard Methodology, which details a Local Housing Need (LHN) of 541 dwellings per annum. The Council state that it is confident that it will meet its affordable housing needs in full through the provision based on Policy HP5 and it therefore does not need to make any further adjustments to its overall housing figures
- 1.1.2 The Council's Affordable Housing Strategy (2019) details on page 14 that there is a need for 3,500 affordable homes to 2036, or circa 220 affordable homes per annum. A review of the Council's Annual Monitoring Reports highlights that an average of only 60 affordable homes have been built per annum in Fareham Borough since 2011, at an average of just 23% of overall housing completions. Delivery has deteriorated further in the most immediate 3 monitoring years, with an average of just 24 affordable homes built each year.
- 1.1.3 It is notable that the housing land supply promoted in the Plan amounts to 10,594 new homes. However, 67 of those homes comprise outstanding small permissions and 1,224 'windfalls', noted in the Plan as likely to comprise previously developed land. Both categories are highly unlikely to achieve any significant quantum of affordable housing. Further, 900 homes are a contribution to neighbouring authorities unmet needs and therefore logic dictates that these homes would meet affordable need from adjacent boroughs rather than addressing Fareham need.
- 1.1.4 Discounting these elements of supply, all housing supply (market and affordable) will be in the region of 8,393 dwellings, so to meet the affordable demand 42% would need to be affordable. Not only does this assume that the detailed housing supply will deliver as expected (Gladman do not consider this to be the case) it is also significantly higher than the average delivery of affordable housing in the Borough, noted above as only equivalent to 23% of overall completions, and the requirement of policy HP5 which sets an aggregated affordable housing target of 32% across the Borough. There is a clear requirement for a significant step-change in affordable housing delivery compared to historic trends and yet it is not clear that the affordable housing required can be met under the housing provision being made.
- 1.1.5 The need to significantly boost the supply of additional affordable housing to address identified needs is therefore clear and pressing. Indeed, to meet the identified need

the delivery of affordable housing needs to almost quadruple from current delivery rates. The provision of affordable housing to address this need is a significant matter and whilst the Council contend that they will be able to meet affordable needs in full, Gladman are concerned that the requisite step-change in affordable housing delivery will not be achieved.

1.1.6 As set out in our response to Question 8, the lack of housing to meet needs in the short-term of the Plan is exacerbated by recent under-delivery of both market and affordable housing. This will undoubtedly compound the increasing unaffordability of the Borough and it will likely be the case that the need for 220 affordable homes per annum moderates' actual need.

1.1.7 Whilst the Standard Methodology accounts for affordability (or lack thereof in Fareham's case), to meet the identified need for affordable housing in the Borough will necessitate a significant step-change in affordable housing delivery. It is Gladman's view that the Council will not achieve the necessary level of provision and therefore a modest uplift to the LHN is justified.

Q8 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?

1.1.8 The submitted Local Plan advocates a stepped housing trajectory towards meeting housing needs in Fareham. Gladman consider that the proposed stepped trajectory is unsound and that a flat trajectory is the most appropriate approach and is necessary in Fareham to:

- Meet housing needs and make a sustained contribution towards addressing serious and deteriorating housing affordability as soon as possible
- Address unmet housing needs as early as possible
- Meet affordable housing needs as early as possible
- To meet the Government's objective to boost the supply of housing in the shorter term
- Avoid an overreliance on housing delivery from Welbourne Garden Village

1.1.9 To achieve this, it will be necessary to identify additional small to medium scale site allocations to meet identified needs in the short to medium term. The identification of additional sites should be supplemented by a more flexible approach to managing sustainable growth in the Borough (as detailed in our Matter 2 response).

- 1.1.10 The NPPF is clear in its intention to boost significantly the supply of housing. This strategy is further underlined by the buffers applied by national policy and the PPG's approach that requires local authorities to meet housing shortfall within a five-year period.
- 1.1.11 It is clear that there are significant housing needs for both market and affordable housing in Fareham that must be addressed by this Plan. This is compounded by considerable market and affordable housing needs that cannot be met elsewhere in the Housing Market Area (i.e Portsmouth and wider PFSH area). The proposed introduction of the stepped trajectory in its current form exacerbates the longstanding housing delivery issues in the area by placing an unnecessary burden on the Council to achieve higher delivery rates towards the end of the plan period, with little flexibility or opportunity to remedy any shortfall at that point in time.
- 1.1.12 The re-profiling of the trajectory to deliver lower annual targets until later in the plan period is not considered a sound approach when the Government's main agenda is to solve the housing crisis and fix the broken housing market.
- 1.1.13 Furthermore, the approach would frustrate the very purpose of national planning policy for housing, which very clearly focuses on addressing the causes of the worsening affordability. This is a critical issue that needs to be fully addressed both now and in the longer term.
- 1.1.14 Worsening affordability is prevalent in Fareham and the Council consider one of the key issues facing residents in the Borough is the unaffordability of homes to rent or buy. The use of a stepped housing requirement risks exacerbating an already significant affordability problem against a backdrop of increasing housing needs.
- 1.1.15 Gladman contend that an alternative strategy should be employed which looks at alternative sustainable sites, of a small to medium scale, to boost the supply of housing and ensure that affordability can begin to be addressed in the short term. This can then be supplemented through the longer-term delivery that can be achieved at the identified strategic sites towards the end of the plan period. This strategy would remove the reliance on the stepped trajectory.

Q9 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?

- 1.1.16 Gladman support the Council's ambition to meet in full its affordable housing need as it is too often the case that affordable housing targets are watered down during the plan-making process. However, given the slim probability of the target being met based on current housing provision, we state that an annual net need for affordable housing in the Borough should be clearly set out in the Plan, alongside a list of

necessary policy interventions which could be implemented should delivery of affordable housing fall short of the required annual net need.

- 1.1.17 Consequently, the housing target should be modified to include the delivery of a minimum of 220 affordable homes per annum.