

Fareham Borough Council Hearing Statement

Matter 3 – Housing Need and Supply

Prepared on behalf of

Metis Homes

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1.0 INTRODUCTION

- 1.1 Tetra Tech Planning have been instructed by Metis Homes to participate in the Examination of the Fareham Local Plan 2037.
- 1.2 Metis Homes have an opportunity to bring forward development at Land to the Rear of 35 Burridge Road, Burridge, as identified on the plan attached at **Appendix A**. Metis Homes have previously made representations in response to the Regulation 19 Fareham Revised Publication Local Plan 2037 consultation (July 2021).
- 1.3 This Hearing Statement sets out our client's position in relation to Matter 3 of the Examination which relates to Housing Need and Supply. Metis Homes' interest in this matter emanates from their interests in promoting for development Land to the Rear of 35 Burridge Road.
- 1.4 Careful consideration has been given to the Inspector's Matters, Issues and Questions (INSP004) and the relevant published examination material available on Fareham Borough Council's (FBC) Examination webpage, all of which has informed the contents of this Statement.
- 1.5 This Statement will expand on the points made during the Regulation 19 consultation in relation to housing requirement and provision, affordable housing and the unmet housing need from other local authorities. It will conclude that the Plan in its current form is neither effective, nor positively prepared and that modifications should be made through increasing the buffer to the overall housing need.
- 1.6 This Statement should be read alongside the Regulation 19 representation, as well as the separate Hearing Statements submitted in relation to Matter 2 (Development Strategy), Matter 4 (Housing Policies), Matter 5 (Gypsies, Travellers and Travelling Showpeople) and Matter 7 (Housing Land Supply).

2.0 HOUSING REQUIREMENT AND PROVISION

- 2.1 The Plan states that the annual housing need is 541 per annum over the Plan period (a total need of 8,656 over the 16-year plan period). Table 4.2 of the Plan states that there is sufficient land to deliver 10,594 new dwellings over the Plan period.
- 2.2 FBC has obtained this figure from the adopted Standard Method for calculating housing need as the starting point for assessing the housing requirements of the Borough which we are supportive of and are pleased to see that FBC is committed to meeting their objectively assessed housing need. However, there are a number of concerns in relation to the amount of housing being planned for in the Borough will be insufficient to meet this need and there are also concerns about the strategy by which the housing is distributed.

Contingency and Buffer

- 2.3 The Plan states that a minimum of 10% additional supply is suggested by the Planning Inspectorate but given the reliance on large sites within the supply, a precautionary 11% is proposed by the Council. We suggest a much larger buffer between the identified housing need and actual supply is needed to make sure the Plan is flexible and robust enough to deliver the required amount of housing. A 1% contingency is not considered sufficient to ensure enough flexibility is allowed for in the Plan, particularly given FBC's recent track record of under-delivery of housing.
- 2.4 In January 2021, the Government published the 2020 Housing Delivery Test (HDT) results which confirmed FBC's delivery to be 79% and as a consequence, the 20% buffer was applied. By January 2022, the Government published the updated 2021 HDT results which confirms a worsening performance, with a delivery rate of just 62%, meaning the presumption is now applied. This drop in performance in just one year shows a significant problem in the approach being undertaken by the Council.
- 2.5 The Plan is far too reliant upon strategic sites to supply much of its housing requirement. Delays in the delivery of such sites are not uncommon due to landowner disputes, infrastructure delivery delays, the large number of technical issues to be addressed and this overreliance on large sites has proven unsuccessful in Fareham historically.
- 2.6 The NPPF notes that "*small and medium sites can make an important contribution to meeting the housing requirement of an area and are often built-out relatively quickly*"¹. Therefore, a greater buffer should be applied to provide increased robustness and flexibility to the Plan so that delays in delivery of strategic sites do not compromise the deliverability of the Plan. A buffer of circa 20% would seem

¹ NPPF paragraph 69

more appropriate given the risks to housing delivery in the borough and the particular reliance on a single, very large strategic site that has been plagued by delays and overpromised delivery dates.

Stepped Trajectory

- 2.7 The housing trajectory at Appendix B of the Plan shows a minus figure and under-delivery of 56 dwellings below the cumulative housing requirement in 2021/2022, with this loss forecast to be made up in the latter years of the Plan period.
- 2.8 In FBC's reply (FBC001) to the Planning Inspectorate (INSP001) (3 December 2021), FBC state: *"the total requirement and the stepped requirements reflect what can be delivered as evidenced in the SHELAA and based on regular engagement with relevant parties"*. However, we disagree with this statement. There are suitable and available, smaller, less complex sites that can come forward earlier on in the Plan period, including land at Burridge. The Council have not proactively explored delivery of these smaller sites which could cumulatively add up to a significant figure.
- 2.9 In response to Question 8 of the Inspector's MIQ's, a stepped housing trajectory is not considered appropriate or justified and is only serving to suppress housing delivery, which is contrary to the national objective to significantly boost the supply of housing. This is discussed in further detail in the Matter 7 Statement.
- 2.10 Due to such reliance upon strategic sites to supply much of its housing requirement, it is considered a greater buffer between the identified housing need and actual supply should be applied, to ensure that delays in delivery of strategic sites do not compromise the deliverability of the Plan. To make the Plan sound, FBC need to remove reference to a stepped trajectory, increase the housing need through an increased buffer and with a greater number of small and medium sized sites than can deliver in the early part of the Plan period.

3.0 AFFORDABLE HOUSING

- 3.1 The Planning Practice Guidance (PPG) confirms that the standard method “*identifies a **minimum** annual housing need figure²*” and should not be taken as a ceiling figure. The Plan notes that the PPG makes clear one of the reasons a higher figure could be adopted is if the need for affordable housing is greater than that likely to be delivered. The Plan goes on to state that the Council’s affordable housing need will be met and so there is no further requirement for an adjustment of the need figures³.
- 3.2 However, the Welborne Garden Village development originally proposed to provide a minimum of 30% affordable housing, but this has now been reduced to a minimum of just 10%, depending on the outcome of a viability review which is to be submitted prior to the submission of a reserved matters application. This anticipated reduction in affordable housing provision will have a disproportionate effect on the overall affordable housing delivery in the Borough and should therefore be met elsewhere. In light of this The Plan should increase the overall housing requirement to assist with affordable housing provision.
- 3.3 According to FBC’s Affordable Housing Strategy (2019), the need for affordable homes in the Borough is in the region of 3,000 households and the waiting list currently stands at around 1,000 households. It also estimates that at least a further 1,000 households are privately renting or sharing parental homes, because young families are priced out of home ownership. In addition, the Plan notes that “*there is an acknowledged housing need, and affordability is an issue for first time buyers and household on low incomes who cannot access home ownership⁴*”.
- 3.4 In response to the MIQs Question 9 relating to the provenance of the 3,500 affordable housing target the council produced a schematic at Figure 3 of FBC001: Council Response to INSP001. The Council’s assessment provides a snapshot of the current need but however fails to take account of newly arising households falling into need over the plan period as required by the PPG⁵.
- 3.5 The Plan should take this issue seriously into account in calculating its housing need by adopting a higher figure to allow for greater affordable housing provision across the Borough. This is particularly important given the disproportionate effect even a slight reduction in affordable provision at Welborne would have on overall affordable housing delivery. There is no evidence the reduction from 30% to

² Paragraph 002, reference ID: 2a-002-20190220

³ Paragraph 4.3

⁴ Paragraph 1.42

⁵ Paragraph: 021 Reference ID: 2a-021-20190220

10% at Welborne has been met elsewhere and the anticipated 10% provision may well reduce even further after a viability review has taken place.

- 3.6 The Plan should therefore be more aspirational in its plans for housing provision, as per paragraph 16 of the NPPF, which states that *“plans should be prepared with the objective of contributing to the achievement of sustainable development; be prepared positively, in a way that is aspirational but deliverable...”*.
- 3.7 To make the Plan sound, FBC must better improve affordability in the Borough through planning for additional housing to facilitate the delivery of affordable housing through planning gain.

4.0 UNMET HOUSING NEEDS FROM OTHER LOCAL AUTHORITIES

- 4.1 There is a significant unmet housing need across the South Hampshire region, particularly Portsmouth, which the Plan states has written to FBC requesting a contribution of 1,000 dwellings to their unmet need.
- 4.2 The Push Spatial Position Statement (June 2016) states that *“there is a very constrained supply of land in Gosport, Havant and the Totton/Waterside area of New Forest and on the Isle of Wight, which limits the ability of these areas to meet their identified housing needs in full”*⁶. Havant Borough Council has confirmed it does not propose to meet any of Portsmouth’s unmet need.
- 4.3 In addition, in the Gosport Statement of Common Ground (SOCG) (September 2021), Gosport Borough Council identifies an unmet requirement of approximately 2,000 dwellings. The majority of its proposed development in its emerging Local Plan will take place on brownfield sites which have a number of challenges, including the need to provide enhanced flood defences, address contaminated land issues and ensuring internationally important habitats are not harmed.
- 4.4 According to the latest SOCG published by the Partnership for South Hampshire (PfSH) in October 2021, there is a housing shortfall of 13,000 dwellings up to 2036, an increased shortfall of 2,250 from that of the September 2020 SOCG. In addition, Portsmouth City Council’s unmet need has now risen from 669, as stated in paragraph 4.5 of FBC’s Plan, to 800 dwellings and Portsmouth maintains its request to FBC to accommodate some of this unmet need. We understand some of Portsmouth’s proposed development sites are being challenged and so we consider Portsmouth’s unmet housing need to now be even larger.
- 4.5 PfSH has agreed that there is a need for its constituent authorities to work together and the NPPF makes clear that *“effective and on-going joint working between strategic policy-making authorities and relevant bodies is integral to the production of a positively prepared and justified strategy. In particular, joint working should help determine...whether development needs that cannot be wholly met within a particular plan area can be met elsewhere”*⁷.
- 4.6 The Plan confirms that it is making provision for 900 homes to contribute towards the wider unmet need issue. This is considered a meagre contribution given the total shortfall and does not represent a positive approach to addressing unmet needs of the Housing Market Areas.
- 4.7 There are suitable, available and achievable development sites in the Borough, including land at BurrIDGE, and FBC is relatively unconstrained when compared to other PfSH authorities. It is

⁶ Paragraph 5.28

⁷ NPPF paragraph 26

therefore considered that FBC should be contributing further to this growing housing shortfall and wider unmet need across the South Hampshire region

- 4.8 The Plan in its current form is neither effective, nor positively prepared in its contribution towards the significant unmet housing need across the South Hampshire region. FBC should be contributing further to this wider unmet need for the above-mentioned reasons to ensure the Plan meets the tests of soundness as set out in paragraph 35.

5.0 SUMMARY

- 5.1 This Statement demonstrates that the Plan in its current form is not considered justified or sound and should not be adopted as it currently stands.
- 5.2 The housing strategy is not effective, particularly due to FBC's reliance on large scale strategic sites to supply much of its housing requirement, uncertainties over the delivery of Welborne Garden Village and FBC's historical under-delivery. The PPG makes clear the standard method is a minimum and the Government is committed to supporting ambitious authorities who plan for growth.
- 5.3 Moreover, a stepped trajectory is not considered appropriate or justified and is only serving to suppress housing delivery, which is contrary to the national objective to significantly boost the supply of housing.
- 5.4 Affordable housing provision should be met elsewhere due to the likely reduction in affordable housing provision from 30% to just 10% at Welborne Garden Village, which will have a disproportionate effect on the overall affordable housing delivery in the Borough.
- 5.5 The Plan in its current form is neither effective, nor positively prepared in its contribution towards the significant unmet housing need across the South Hampshire region. Given there are suitable, available and achievable sites in the Borough, including in Burr ridge, FBC should be contributing further to this wider and growing unmet need for the above-mentioned reasons.
- 5.6 To make the Plan sound, FBC should increase the housing need through an increased buffer. Due to such reliance upon strategic sites to supply much of its housing requirement, it is considered a greater buffer between the identified housing need and actual supply should be applied, to ensure that delays in delivery of strategic sites do not compromise the deliverability of the Plan.

APPENDICES (Attached Separately)

Appendix A – site location plan