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**Examination of the Submitted Fareham  
Borough Local Plan**

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**STATEMENT FOR:**

**MATTER 3 – HOUSING NEED AND SUPPLY**

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**Prepared by:**

**Woolf Bond Planning LLP**

**On behalf of:**

**Foreman Homes Ltd**



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## Executive Summary

Foreman Homes Ltd (“FHL”) have a controlling interest in various sites within Fareham, including those with permission, those granted at appeal<sup>1</sup>, sites currently at appeal, sites allocated for development in the submission Local Plan and those not proposed to be allocated.

The Plan fails to plan for sufficient housing growth (in terms of the overall housing target in Policy H1) and places undue reliance upon the delivery of housing from Welborne (which has failed to deliver at the rates previously suggested by the Council). and Additional site allocations should therefore be identified, including through reserve site allocations.

FHL’s objections may be summarised as follows:

- The Plan is **not positively prepared** in so far as the proposed strategy for growth will fail to deliver the identified housing need for a minimum of 10,197 dwellings during the period 2021 to 2038.
- The Plan is **not justified** having regard to the approach envisaged to maintain a rolling five year supply of housing land and/or in relation to the approach to the allocation of sites for housing, such that it cannot be said to provide the most appropriate strategy when considered against the reasonable alternatives.
- The Plan is **not effective** and will fail to provide a five year supply of deliverable housing land on adoption and nor will it deliver the requisite amount of housing during the plan period; when assessed against the objectively assessed housing need.
- The Plan is **not consistent with national policy** having regard to the need to ensure housing site allocations will maintain an adequate supply of deliverable housing land.

The failure to provide sufficient deliverable site allocations will serve to frustrate attempts to address key factors affecting worsening affordability and denying people the opportunity to own their own home, contrary to Government policy which is seeking to boost the supply of housing in order to address the current housing crisis.

The above changes are necessary to ensure the Local Plan satisfies the tests of soundness at paragraph 35 of the NPPF (2021).

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<sup>1</sup> Including land south of Romsey Avenue, Portchester (PINS Ref: APP/A1720/W/21/3271412 (28 Jan 2022) (Appendix 14)

## **CONTEXT AND BACKGROUND**

- 1.1. This Statement has been prepared by Woolf Bond Planning LLP on behalf of Foreman Homes Ltd (“FHL”), and addresses several questions posed for Matter 3 of the Hearing Sessions as set out in the Inspector’s Matters and Issues.
- 1.2. In setting out our response, we continue to rely upon the content of the detailed representations submitted on behalf of FHL in response to the Regulation 19 consultation on the revised Plan in July 2021 (as well as those representations submitted in late 2020).
- 1.3. Our answers to the questions should be read in the context of our position that insufficient deliverable and developable land has been identified in the submission Local Plan in order to maintain a rolling 5 year supply of housing land as obligated by paragraph 74 of the NPPF. The Plan would not be sound without an amendment to include additional site allocations within revised settlement boundaries<sup>2</sup>.
- 1.5. This Statement details further responses to a number of the specific questions raised by the Inspector’s in their examination of the Local Plan.

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<sup>2</sup> To include omission sites controlled by FHL (see the site schedule at Appendix 15)

**MATTER 3: HOUSING NEED AND SUPPLY (STRATEGIC POLICY H1)**

**Questions 1 to 14**

**Question 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?**

- 2.1. There is no justification for the conclusion in paragraph 4.3 that the Plan should not seek to deliver a high growth that the standard method Local Housing Need suggests.
- 2.2. The PPG (ID ref 2a-010-20201216) is clear that there are a number of circumstances where local authorities should consider higher levels of growth. This includes where there is unmet need from neighbouring authorities.
- 2.3. As outlined in our 2021 representations, there is a clear expectation from Portsmouth that they have an unmet need of 1,000 dwellings. This should be addressed within Fareham Borough alongside contributions towards unmet need from other authorities, including that within the wider PfSH area.

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

- 2.4. As indicated in our 2021 representations, the Council has been approached by Portsmouth to provide a contribution of at least 1,000 dwellings. It is for the Council to clarify when there have been other requests, particularly with respect of the wider PfSH area. The amount of unmet need from Portsmouth to be met in Fareham is also a function of the realism of Portsmouth's emerging strategy which relies upon land reclamation at Tipner which extends into a European Protected Site.

**Question 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?**

- 2.5. The is a matter for the Council to explain.

**Question 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?**

- 2.6. This is a matter for the Council. However, we identify a need for the Local Plan to provide for a minimum of 10,197 dwellings during the period 2021 to 2038 (applying the 541dpa LHN for the 17 year period, to which is then added the contribution of 1,000 dwellings in helping to meet Portsmouth's unmet need), to which there is then a need to factor in a proportion of the remaining unmet need from PfSH. On this basis, and applying the Council's contingency of 11%, the Plan should identify sufficient sites to deliver a minimum of 11,319 dwellings (1,122 dwelling contingency)

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

- 2.7. None are identified. This is therefore a matter for the Council.

**Question 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?**

- 2.8. Yes. A contribution of at least 1,000 dwellings towards Portsmouth's unmet housing need should be included. Additional provision should also be made to address unmet need from PfSH.
- 2.9. The original SoCG between the PfSH Authorities (SCG005) identified an unmet need for 10,750 dwellings (paragraph 4.6 refers). However, that has been superseded by the SoCG in the Examination Library as Document Ref FBC003, which shows an unmet need totalling 13,000 dwellings.

- 2.10. Given the known geographical constraints to meeting needs in Gosport, Portsmouth and Winchester, along with the physical constraints to meeting needs in Southampton (subject to a 35% uplift on its Standard Method housing requirement as one of the 20 largest urban areas), Fareham should be taking a proportionate share of this unmet need. However, Fareham's SA failed to assess a higher level of growth and each option relies upon an assumed (and unrealistic) delivery rate for Welborne.

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

- 2.11. No.
- 2.12. There is no evidence that the level of housing growth is sufficient to support economic growth expectations in the plan and the wider sub region, especially given the identified shortfall across the PfSH area for housing needs.

**Question 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?**

- 2.13. No.
- 2.14. The stepped trajectory is a function of the Council's approach to site selection alongside its unjustified reliance upon Welborne to deliver growth.
- 2.15. As outlined in our 2021 representations, the Council's unjustified optimism regarding delivery at Welborne indicates that there is no prospect of increasing the rate of delivery in the early years of the plan period. However, there are opportunities to assist in increasing the rate of delivery in the early years of the plan through the allocation of additional deliverable sites in sustainable locations. This includes land controlled by Foreman Homes (Appendix 15 refers).



- 2.16. The Inspector who examined the Guildford Borough Local Plan (paragraphs 22 and 23) (Appendix 6) confirmed that the stepped trajectory proposed by Guildford would fall “**short of addressing the borough’s deteriorating housing affordability and housing needs in the early years of the Plan. Moreover, there was no allowance for unmet need from Woking Borough**”.
- 2.17. These issues equally apply to Fareham Borough where there has been deteriorating housing affordability with a clear under delivery of homes within both Fareham and the wider PfSH area<sup>3</sup> (see response to Questions 9 to 14 below). As such, the presumption applies to Fareham Portsmouth and Havant.
- 2.18. There is also the significant unmet need arising in Portsmouth. These factors all indicated that the stepped requirement is unjustified and is the antithesis of the Government’s clear objective in the NPPF (paragraph 60) of “**significantly boosting the supply of housing**”. It is therefore essential that a housing requirement is set for the Borough which equates to the minimum Local Housing Need figure (541dpa) together with a pro-rata contribution towards unmet housing needs (at least 1,000 dwellings).
- 2.19. In addition, as indicated in the representations, a plan period extending to only 31<sup>st</sup> March 2037 is inconsistent with the requirement in NPPF paragraph 22 that “**Strategic policies should look ahead over a minimum 15 year period from adoption**”.
- 2.20. The Council’s current Local Development Scheme (June 2021) (GEN001) indicates that the Plan will be adopted in autumn/winter 2022.
- 2.21. As the information on housing monitoring (including expectations of windfalls (paragraph 4.11 of Submitted Plan)) relates to periods from 1<sup>st</sup> April to the subsequent 31<sup>st</sup> March, the Council’s adoption of the Plan in autumn/winter

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<sup>3</sup> In relation to the HDT results, Fareham achieved a 79% delivery rate in 2020 and 62% in 2021. Havant had a 74% rate and Portsmouth was 54%.

2022 will not allow for the minimum 15 years obligated by the NPPF with the current end date of 31<sup>st</sup> March 2037.

- 2.22. Whilst our 2021 representations referred to an analysis of the Government's monitoring of Local Plan progress at 1<sup>st</sup> June 2021<sup>4</sup>, the latest data (to 1<sup>st</sup> Feb 2022)<sup>5</sup> notes that for the 14 Strategic Plans submitted since 25<sup>th</sup> January 2019 have taken on average 516 days (an increase on the 488 days from submission to adoption referenced in paragraph 5.16).
- 2.23. As Fareham's Plan was submitted on 30<sup>th</sup> September 2021, applying this average to the provide an indication of adoption date in Fareham Borough suggests that this could occur on 28<sup>th</sup> February 2023. This reinforces the position in the representation that the current Plan period is inconsistent with the NPPF.
- 2.24. The Inspector examining the Watford Local Plan (submitted on 6<sup>th</sup> August 2021) has issued initial views<sup>6</sup> on that Plan and has advocated an extended plan period to 2038 to ensure it provides for a minimum 15 years post adoption.
- 2.25. Watford Borough Council have accepted this and outlined refinements of the Main Modifications to extend the Plan period from 2037<sup>7</sup> to 2038<sup>8</sup>. Therefore, the same should apply to Fareham Borough thereby ensuring consistency with the NPPF.
- 2.26. For the reasons set out above, we are of the view that the Local plan should provide for a minimum of 10,197 dwellings during the period 2021 to 2038. This applies the 541dpa LHN for the 17 year period, to which is then added the contribution of 1,000 dwellings in helping to meet Portsmouth's unmet need. However, and importantly, there is then a need to factor in a proportion of the remaining unmet need from PFSH.

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<sup>4</sup> Paragraph 5.16

<sup>5</sup> [Local Plan: monitoring progress - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/local-plan-monitoring-progress)

<sup>6</sup> Appendix 7

<sup>7</sup> Appendix 8

<sup>8</sup> Appendix 9

## Affordable Housing Requirement

### **Question 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?**

- 2.27. As set out in numerous Statements of Common Ground for various appeals across the Borough (including the decision at Appendix 14<sup>9</sup>), it has been accepted by the Council (and Inspectors) that there is a significant need for affordable housing in the Borough.
- 2.28. The Council's Affordable Housing Strategy (2019-36) (HOP001) indicates a need for around 3,500 affordable homes in the Borough (page 14 refers) with around 1,000 households on the waiting list (page 11 refers).
- 2.29. The 3,500 dwelling affordable housing need equates to 206 dwellings annually), most of which will be delivered within market developments.
- 2.30. Table 1 below provides a comparison between completions and known affordable housing requirements. This includes the affordable housing requirement only (excluding market housing demand) derived from the 234dpa PUSH OAN Assessment (which applied from 2011 to 2019) and the 206dpa derived from the Council's Affordable Housing Strategy (2019-36) which applies from 2019/20 onwards.
- 2.31. As indicated in Table 1 below (sourced from the Government's Affordable Housing Delivery Statistics<sup>10</sup>), the Council has delivered 684 affordable homes in the period April 2011 to March 2021.

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<sup>9</sup> Paragraph 164 stating: The Council has a significant shortfall in housing land supply and a pressing need for affordable housing.

<sup>10</sup> Live table 1011 - [Live tables on affordable housing supply - GOV.UK \(www.gov.uk\)](https://www.gov.uk/live-tables-on-affordable-housing-supply)

2.32. This is equivalent to an average rate of 68.4 affordable dwellings per annum since 2011. This represents a substantial shortfall in meeting known needs.

*Table 1: Affordable Housing Completions*

<b>Year</b>	<b>Net Affordable Housing Completions</b>	<b>Requirement (234dpa 2011/12 to 2018/19 and 206dpa from 2019/20)</b>	<b>Shortfall</b>
2011/12	127	234	-107
2012/13	91	234	-143
2013/14	58	234	-176
2014/15	137	234	-97
2015/16	27	234	-207
2016/17	85	234	-149
2017/18	41	234	-193
2018/19	44	234	-190
2019/20	10	206	-196
2020/21	64	206	-142
<b>Total</b>	<b>684</b>	<b>2,284</b>	<b>-1,600</b>

2.33. This falls considerably short of the 206dpa requirement in the Council's Housing Strategy.

2.34. As Table 1 indicates, the delivery of 684 affordable dwellings since April 2011 should be viewed in the context that this represents a shortfall of 1,600 affordable dwellings.

2.35. This represents a 70% shortfall against assessed affordable housing needs during this period, an acute gap in provision which affects Fareham Borough and how it functions in an economic, social and environmentally sustainable way.

2.36. Based on the available evidence, there is a significant need for additional affordable homes and the delivery of affordable housing against the identified need has been woeful.

- 2.37. Given the continued lack of a five year supply of deliverable housing land and the reduction in the number of affordable homes to be delivered at Welbourne, the affordable housing requirement will be hard to achieve.
- 2.38. In addition to the under-delivery of affordable housing, it is also necessary to consider how the Borough’s housing waiting list has also been affected by the under-delivery of affordable homes. This is shown in Table 2 below.
- 2.39. As Table 2 indicates, the upward trend reinforces the justification for a ‘flat’ housing requirement and not the stepped approach advocated by the Council.
- 2.40. Table 2 shows an increasing number of people on the waiting list from 2019 onwards. As at 1 April 2021 there are 1,125 households on the waiting list.

*Table 2: Extent of housing waiting list in Fareham Borough<sup>11</sup>*

	2013/14	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
<b>Households on waiting list</b>	1,225	1,251	1,134	1,040	1,003	1,045	1,082	1,125
<b>Households in reasonable preference category</b>	425	351	240	110	275	275	275	389
<b>Homeless</b>	38	47	40	35	41	84	117	141

Future Affordable Housing Supply

- 2.41. The future delivery of affordable housing in Fareham Borough is highly uncertain.

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<sup>11</sup> Data from [Local authority housing data - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/collections/local-authority-housing-data).

- 2.42. In addition to the existing significant shortfall in meeting the affordable housing need, there is also the question of whether future needs will be met.
- 2.43. This is especially important given the over reliance on the new community at Welborne to address both future market and affordable housing supply in the Borough.
- 2.44. With its continued delays in delivery, this has the potential to make the situation even more severe not just for Fareham Borough's vulnerable position on affordable housing land supply, but for the significant number of households currently on the Council's Housing Register as indicated in the table above.
- 2.45. Furthermore, Welborne will provide a minimum of 10% affordable housing<sup>12</sup>.
- 2.46. This limits the contribution to resolving the significant affordable housing shortfall.
- 2.47. Paragraph 60 of the NPPF requires that needs of groups with specific housing requirements to be addressed. Paragraph 62 confirms that one of the specific groups relates to those requiring affordable housing.
- 2.48. Although the Council publishes details of its planning commitments for housing, there is no information on the extent that those sites forming parts of its supply will deliver affordable housing to either address the current deficit of 1,600 dwellings or ensure that this does not increase in the future.
- 2.49. The failure to meet the identified needs of affordable housing is a dire situation indicating that the Council is not fulfilling the objectives in paragraph 60 of the NPPF.

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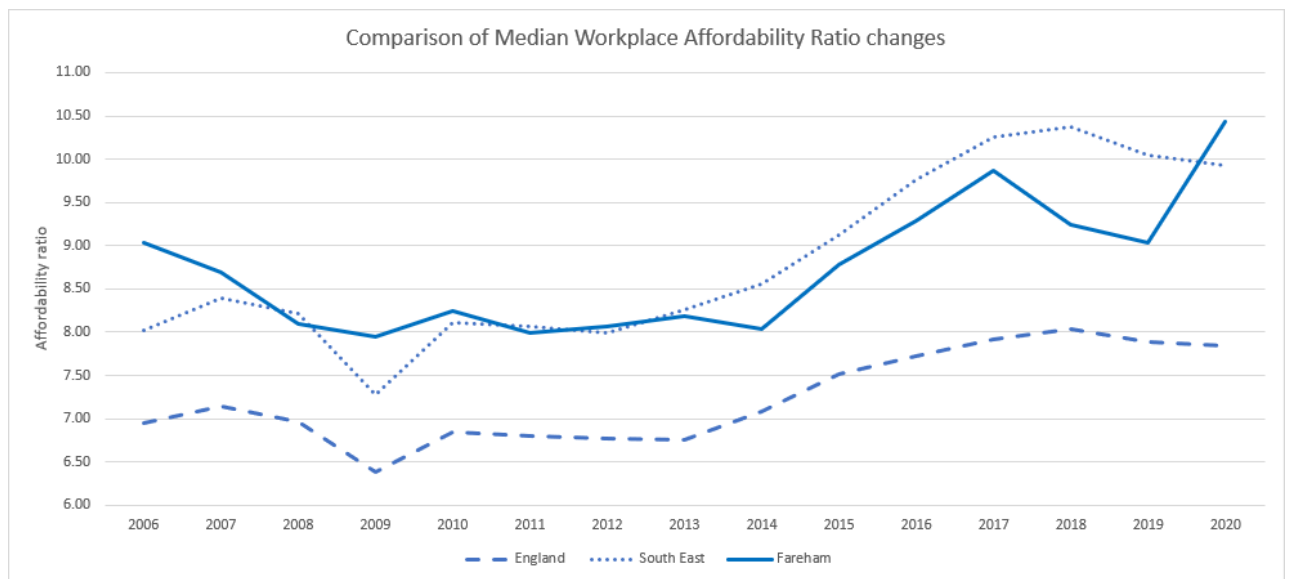
<sup>12</sup> Paragraph 8.30.89 of the July Planning Committee Report for Welborne, although as this paragraph recognises, it could be reduced to 7.3% to cover any cost over-runs for the Junction 10 works.

2.50. A step change in the delivery of affordable housing is therefore required if the Council is to get anywhere near the identified need in the PUSH Study and begin to address the dysfunctions of the local housing market.

2.51. Such a step change would be consistent with the thrust of paragraph 60 of the NPPF, to boost significantly the supply of housing. This requires the allocation of additional deliverable sites.

### Affordability Ratios in Fareham Borough

2.52. The under delivery of market housing has contributed to the worsening of the affordability ratios in the Borough as indicated in the chart below, which compares this from the base date of the Core Strategy (Local Plan Part 1).



2.53. The chart also shows that median workplace-based affordability ratios in Fareham Borough increased from 9.03 in 2006 to 10.44 in 2020.

2.54. Whilst in 2011 affordability rates went below the average of those in the South East region and gradually widened to become more affordable, this reversed in 2020 with Fareham Borough's increasing such that it exceeds the median of

the region. The chart indicates that they have consistently exceeded those associated with England.

- 2.55. The increasing affordability ratio, especially its exceedance of the regional figure, has occurred because of a failure of Fareham Council to deliver sufficient homes to meet market and affordable need in the Borough, whilst the chronic under supply of housing in Fareham Borough impacts people and communities and is a contributory factor in the unaffordability of housing.
- 2.56. The introduction of the affordability ratio to calculate housing need is intended to help with the significant affordability issues across much of the country.
- 2.57. The formula applies an increase where the affordability ratio is above 4, or put another way, where the cost of purchasing a home exceeds 4 times annual earnings. A ratio of 4 is therefore deemed to be the level above which unaffordability occurs.
- 2.58. Within the Foreword of the 'Fixing our Broken Housing Market' White Paper (Feb 2017), the former Prime Minister made reference to the national average house prices being eight times that of average incomes, representing the highest ever affordability ratio. This reflects people on average incomes seeking an average priced property. The Foreword identifies the broken housing market is one of the greatest barriers to progress in Britain today.
- 2.59. A step change in the delivery of affordable housing is therefore required if the Council is to get anywhere near the local housing need figure and begin to address the imbalance in the local housing market between housing need and supply, including in relation to affordable housing delivery. Such a step change would be consistent with the thrust of paragraph 60 of the NPPF, to boost significantly the supply of homes.
- 2.60. The above analysis undermines the need to ensure a flat (not stepped) housing requirement and justifies the need for additional deliverable site allocations.



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