



FAREHAM BOROUGH LOCAL PLAN 2037

Hearing Statement

Written Statement relating to Matter 7

Housing Land Supply

Prepared on behalf of Persimmon Homes (South Coast)



February, 2022

1. INTRODUCTION

- 1.1 This Hearing Statement has been prepared on behalf of Persimmon Homes (South Coast) in response to the Revised Publication Fareham Local Plan (CDC001). Our client previously made representations to the Publication Local Plan in December 2020 and also to the Revised Publication Local Plan in July 2021.
- 1.2 Persimmon Homes have land interests within Fareham Borough and in particular at the edge of Stubbington which includes (but is not limited to) the site south of Oakcroft Lane (Site HA54) which was recently granted planning permission on appeal.
- 1.3 This statement has been prepared in accordance with the prevailing planning policy and guidance, in particular the National Planning Policy Framework (NPPF), July 2021 and the Planning Practice Guidance (PPG). It expands on our client's previous representations and argues that the local plan's approach to demonstrating an adequate housing land supply is deficient and unjustified, based as it is on a lack of robust evidence and an overreliance on the anticipated supply from Welborne Garden Community.
- 1.4 Paris Smith LLP, on behalf of Persimmon Homes (South Coast) wish to take a full and active part in the Hearing to be held on Wednesday 30th March 2022 in relation to Matter 7 (Housing Land Supply).

2. HOUSING LAND SUPPLY

Q1. Is the reliance on Welborne Garden Village to deliver half of the housing requirement for Fareham justified as the most appropriate way of achieving sustainable development, the supply of new homes and the growth of the borough? If not, what are the alternatives?

- 2.1 Notwithstanding the achievement of an outline planning permission for Welborne in September 2021, Fareham Borough Council (FBC) has a track record of over-relying on the anticipated delivery from Welborne. FBC has a further consistent track record of having to put back the delivery trajectory for that scheme due to the on-going delays, both in relation to landownerships and to the funding of infrastructure. These factors have resulted in Welborne constituting a significant cause of FBC's failure to meet its housing requirement targets in recent years, with the consequence being a reliance on 'planning by appeal' which has without doubt undermined the operation of the 'plan led' process within the Borough.
- 2.2 We are concerned that this continued reliance on Welborne to deliver half of the housing requirement of the new local plan represents an inflexible approach, whereby too much of the anticipated housing supply is coming from one strategic scheme which is vulnerable to continued delays. In particular, further increases in the cost of funding the motorway junction are likely given current trends in cost of construction materials and labour and therefore, it seems highly likely that there will be further delays in delivering the new Junction which will be largely beyond the control of either the Welborne developers or FBC.
- 2.3 As we highlighted in our statement for Matter 3, Welborne is only required to provide 30% affordable housing, compared to 35-40% across the rest of the Borough (except in the town centre) and so the over-reliance on Welborne has the effect of reducing affordable housing delivery as a whole. This is particularly the case because it is likely that the Welborne developers will make a successful viability case for much reduced levels of affordable housing to be delivered in the early phases. Indeed, they have already secured an agreement with FBC for just this approach if there is any further increase in the anticipated infrastructure costs for the new junction, which we consider will be highly likely. Whilst the degree of reduction in affordable housing delivery is not certain, given that Fareham's affordable housing need constitutes over a third of the anticipated housing supply, it would not take much of a reduction

in affordable housing delivery at Welborne for the plan to significantly fail to meet the Borough's affordable housing need.

2.4 A further consequence of the over-reliance on Welborne, which is an infrastructure-intensive development, is that the opportunities to deliver the infrastructure that is needed across the rest of the Borough will be consequently reduced. This is because the low levels of new planned residential development across the Borough (outside of Welborne) will not be sufficient to fund key infrastructure requirements, such as transport improvements to the local highway network and much-needed healthcare and leisure facilities. Taking the likely Community Infrastructure Levy (CIL) revenues as an example here, Welborne has now been 'zero-rated' due to the agreed site infrastructure Planning Obligations and the motorway junction costs. This will mean a much lower overall CIL funding pot is available for the remainder of the Borough.

2.5 Mindful, of our point made elsewhere (in our statements for Matters 1 and 3) about FBC needing to increase the overall housing requirement in the local plan, we believe that this would allow additional suitable housing sites to be selected for delivery which could help to redress the over-reliance on Welborne and better support the delivery of affordable homes and infrastructure across the Borough.

Q2. Does the plan provide sufficient contingency should this site be delayed? Is the 11% additional supply set out in para 4.12 adequate?

2.6 In light of the points we have made in response to question 1 above and question 7 below, we conclude that there is a high likelihood that an 11% contingency will not be sufficient to address the potential further delays at Welborne over the plan period. Even without the prospect of delays at Welborne, FBC's proposal to rely on a 'stepped housing trajectory' demonstrates that the contingency is unlikely to be sufficient to meet housing requirements over the full plan period and such contingency as is planned will only in reality be available in later years of the plan, with none available earlier on. That is of no help to all those households who are in housing need now within the Borough.

Q4. What compelling evidence is there in accordance with paragraph 71 of the Framework that windfall sites should be part of the anticipated supply? Are the windfall projections in Table 2 of the Housing Windfall Background Topic Paper. ie. 51 dwellings on both small and large sites over the plan period justified?

2.7 As demonstrated by the Housing Windfall Projections Background Paper (HOP007) of June 2020, FBC has relied exclusively on historic trends of windfall delivery to derive an average figure, which is then projected forward across the plan period. This is a simplistic approach at best, and we do not consider that this amounts to the 'compelling evidence' that paragraph 71 of the NPPF expects. In particular, we would expect some analysis of the likelihood that future windfalls will come forward at the same average rate as they have done in the past, as shown in Table 1 of HOP007. In particular, with the larger sites included (those of 5 to 40 dwellings), we would expect some understanding of the capacity for these sorts of sites to continue to come forward across the plan period.

2.8 Notwithstanding the points above, in considering Table 2 of HOP007, we do not argue with the assumptions made about the starting points within the plan period for both small-site and larger-site windfalls, those are reasonable. However, for Table 1 we would make the point that the historic windfalls analysis data is now out-of-date as it does not include the windfalls delivered in 2019/20 and in 2020/21. The overall housing completions for these two years are available now and so FBC should update Table 1 and apply the new average figures for the purposes of this windfall supply assessment to Table 2.

Q7. What evidence is there to support the anticipated delivery rate of Welborne Garden Village? Does this adequately reflect the time it will take to bring development forward and the necessary infrastructure requirements for the site?

2.9 There is remarkably little evidence to support the ever-changing Welborne delivery trajectory. We will not go into details on the extensive history of repeated slips in Welborne's delivery trajectory since 2011, although we note that the representations prepared on behalf of Foreman Homes by Woolf Bond Planning to the Revised Publication Local Plan (CD009) covered this

aspect well. However, even if we look only at the most recent trajectory versions, we can see that in the February 2021 FBC Housing Land Supply Statement (FBC009), it was estimated that Welborne would deliver 630 dwellings by 31st December 2025, starting with 30 homes delivered by 31st December 2022. However, just two months later in the April 2021 trajectory included within the Housing Delivery Action Plan (FBC008), we can see that only 390 homes were considered deliverable by 31st December 2025, with the initial delivery of 30 homes now only anticipated in by 31st March 2024¹.

- 2.10 The above example demonstrates the ‘shifting sands’ of the Welborne delivery trajectory such that it seems impossible to get a real handle of when the homes will actually be delivered. Equally concerning is the conflict in the position between the Council and the Welborne developers. Taking the latest trajectory on page 9 of FBC008, we can see that the Council anticipated (in April 2021) that some 930 homes would be delivered over the first five years of construction at Welborne (1st April 2023 to 31st March 2028). However, within the Welborne Delivery Strategy prepared by Buckland Developments Ltd (FBC014), we can see that only “*up to 750*” new homes are committed to within the first five years of the development.² This clearly depends on which year is counted as the ‘first year’ of the development. However, we do not consider that the period between now and spring 2023 can be counted, given that outline planning consent has only recently been granted and the developers must now secure appropriate reserved matters consents and discharge all pre-commencement conditions before they can prepare sufficient groundworks and site infrastructure to facilitate initial housebuilding.
- 2.11 There remains further uncertainty over the funding of Junction 10. Whilst the parties have an agreement in principle covering how this will be achieved, the Junction 10 of the M27 Funding Strategy paper (FBC013) is clear that, at the time of writing in November 2021, the funding was still dependent on agreeing a Memorandum of Understanding between Homes England and FBC and on a Grant Determination Agreement being concluded between Hampshire County Council and Homes England. As the Examination hearings commence, the degree to which progress has been made on securing the funding package is therefore unclear. We are also unclear on whether FBC have now discharged Condition 57 of the Welborne outline planning permission which requires an agreed funding strategy to be in place before any construction work can commence on site.
- 2.12 We do not doubt the intentions of both FBC and the Welborne developers to see the scheme commenced as soon as possible. However, our concern is that key aspects of delivery are beyond the control of the Council and the developers. This has caused the lack of certainty over the timing of delivery of even the first phase of development. Given that Welborne constitutes half of Fareham’s housing requirement, this lack of certainty makes for poor planning and should be rectified in the local plan. Ultimately, if certainty cannot be achieved over the timing of Welborne delivery, then FBC should seek to allocate additional housing sites across the Borough which could deliver homes in the first five years of the plan to fill the chasm left by the lack of clarity and certainty on Welborne delivery.

Q8. Overall does the Plan allocate sufficient land to ensure the housing requirement of the borough will be met over the plan period? Is the average delivery of 720 homes per annum in 2028-29 and 2036-37 achievable considering past delivery in the borough?

- 2.13 Our response to question 8 of the Matter 3 statement and to questions above indicate that we do not consider that the local plan allocates sufficient land to achieve the housing requirement over the full plan period. Irrespective of whether the housing requirement should be larger – and we believe it should – the reliance on a ‘stepped trajectory’ is unjustified and demonstrates an over-reliance on Welborne and that insufficient housing land is proposed for allocation across the rest of the Borough for delivery within the earlier years of the plan period.
- 2.14 We do not accept that there are no further suitable sites that are available to FBC to allocate for short-term delivery. There are suitable, available and deliverable sites, including those

¹ The trajectory shown in the Housing Delivery Action Plan (FBC008) runs 1st April to 31st March rather than using the calendar years that is the approach taken by the February 2021 Housing Land Supply Statement (FBC009). We have therefore taken 75% of the 2025/26 figure (i.e. $240 \times 0.75 = 180$) to arrive at a figure to be delivered by 31st December 2025.

² See the 2nd paragraph on page 77 for the Welborne Delivery Strategy (FBC014).

controlled by Persimmon Homes in Stubbington. However, as we argued in our Matter 2 statement, the approach taken by FBC to the development strategy for the area (as set out in Policies DS1, DS2 and DS3) has resulted in an unnecessarily widespread constraint to residential development at the edge of existing urban areas, including southern Fareham and northern Stubbington. It is clear to us that with relatively limited modifications to the development strategy policies and consequential changes to the Policies Map, several additional housing sites which are capable of shorter-term delivery could be allocated in sustainable and suitable urban-edge locations. This could be achieved whilst still protecting the integrity of the Strategic Gaps and the 'Areas of Special Landscape Quality' and the intrinsic beauty of the wider countryside areas.

- 2.15 Our overall concern is that FBC has started from the position of seeking to constrain residential development and has sought to achieve this by imposing additional layers of policy constraint to large areas at the edge of existing urban settlements. Coupled with an over-reliance on Welborne, this approach has resulted in a position whereby FBC are unable to meet their own proposed housing land requirements in the early years of the plan period and are thus causing existing housing need to go largely unmet for years to come. This is not due to any overarching constraints, such as Green Belt or widespread flood risks, but is self-imposed and based on what we consider to be questionable evidence at best. Therefore, FBC has simply not done enough to achieve the genuine boost to housing development that the NPPF expects and on that basis, their overall approach cannot be considered sound without the modifications that we and others are proposing.

Five-Year Housing Land Supply

Q9. Would the Council be able to demonstrate a 5-year supply of deliverable housing sites on adoption of the Plan and a rolling 5-year supply throughout the plan period?

- 2.16 It is concerning that the housing trajectory produced within the Revised Publication Local Plan (at Appendix B) does not provide any details about the anticipated delivery timescales for each of the committed sites (of five or more dwellings) and for the site allocations that Fareham is relying on to demonstrate a 5-year housing land supply. We note that this level of detail was provided in the tables at the end of the February 2021 Housing Land Supply Position Update (FBC009), but on reviewing these details, it is clear that this information is now largely out-of-date.
- 2.17 In addition to an up-to-date site-by-site housing trajectory, we would also have expected to see some clear evidence showing how FBC has engaged with developers and site promoters to support the assumptions being made in the housing trajectory. This is particularly important for the sites without the benefit of a detailed planning permission. Without clear positive evidence from site developers, there can be no certainty that these sites will deliver new homes as anticipated. It is important for FBC to approach this in a way that is fully consistent with the definition of "5 year land supply" in the PPG³ and the definition of "Deliverable" within Annex 2 of the NPPF.
- 2.18 In the absence of the information and evidence detailed above, we are not able to make any real assessment of the extent to which the Council will be able to demonstrate a 5-year supply of deliverable housing sites on the adoption of the local plan. However, what is certain is that the recent track record of the Council and been poor since at least 2015. FBC's failure to maintain a 5-year housing land supply has been clearly evidenced through a number of Planning Appeal Decisions,⁴ including that in relation to 'Land east of Crofton Cemetery and west of Peak Lane, Stubbington' that we attached as Appendix 1 to our Matter 6 statement

³ Paragraph: 002 Reference ID: 68-002-20190722

⁴ For information, some of the other relevant Appeal Decisions included: Land adjacent to 'The Navigator', off Swanwick Lane, Lower Swanwick (20th January 2015, Ref APP/A1720/A/14/2220031); Land north of Cranleigh Road and west of Wicor Primary School, Portchester (14th August 2017, Ref APP/A1720/W/16/3156344); Sawmills Industrial Park, Wickham Road, Fareham (10th September 2018, Ref APP/A1720/W/17/3192431); Land east of Posbrook Lane, Titchfield (12th April 2019, Ref APP/A1720/W/18/3199119); Land east of Downend Road, Portchester (5th November 2019, Ref APP/A1720/W/3230015); and Land at Newgate Lane (North & South), Fareham (8th June 2021, Ref APP/A1720/W/20/3252180 & 3252185).

covering Site HA54. Against that background and track record, we have little confidence, based on the limited evidence seen, that the Council will be able to achieve a robust 5-year housing land supply on the adoption of the local plan.

Q10. Is there a need for and are there any additional sites which could contribute to the first 5 years' supply post adoption should delivery of any of the allocated sites stall in the first 5 years?

2.19 Due to the lack of evidence highlighted above, we cannot be certain there will be a need for additional sites to support the 5-year housing land supply. However, we believe that this will be likely. Even if Fareham was able to show that its proposed initial 5-year requirement could be met, this is based on an unjustified 'stepped housing trajectory'. Therefore, we would still argue that additional sites are required to remove the stepped approach and deliver the annualised local plan housing requirement from year one onwards.

2.20 We consider that there are several suitable, available and deliverable sites across the Borough that could be added to the local plan to increase the initial 5-year supply. These sites include those promoted by Persimmon Homes (South Coast) in Stubbington, as detailed within their previous representations to the Fareham Publication Local Plan and Revised Publication Local Plan.

Q11. If I were to conclude that a 5-year supply of specific, deliverable housing sites would not exist on adoption, what would be the most appropriate way forward for the Plan?

2.21 In line with our arguments above and in our statement for Matter 2 (Development Strategy), we consider that there are a number of suitable, available and deliverable sites that could be allocated for delivery within the initial five-year period. In order for those sites promoted by Persimmon Homes in Stubbington to be included within the local plan, some modifications would be required to Policies DS2 and DS3 in particular and consequential changes to the Policies Map. These modifications would need to better align the delineation of the Strategic Gaps and the Areas of Special Landscape Quality with the available evidence so as to avoid unnecessarily constraining sustainably located areas at the edge of existing urban settlements from contributing to the achievement of the 5-year supply of housing land.