FAREHAM BOROUGH COUNCIL

Ms Helen Hockenhull Planning Inspectorate Sent via email to the Programme Officer Head of Planning Strategy and Economic Development Gayle Wootton

Contact:Gayle WoottonExt.:4328Date:11 August 2022

Dear Ms Hockenhull,

Examination of the Fareham Local Plan 2037 – Response to Post Hearings Letter

Thank you for the Post Hearings letter which has been added to the Examination Library with reference INSP015. The Council is pleased to be able to respond fully to the areas of concern as outlined in the letter.

This letter sets out the Council's response to the findings in the Post Hearings letter. It sets out where the Council believes changes to the submission version of the Local Plan can be drafted in line with your findings, or where the Council has further commentary in response to your findings.

This letter also provides the Council's response to the representations received in respect of the focused consultation on the three topic papers on technical housing matters prepared and consulted upon at the inspector's request. This commentary is informed by the Council's review of all third party comments received during the focused consultation which ended on 25th July (see appendix 1).

For information, the Council has reported the content of the Post Hearings Letter at the meeting of Executive on the 4th July and the proposed amendments to the plan. That meeting also secured an Officer delegation to produce this formal response to INSP015.

Habitats Regulation Assessment

The Council considers an update necessary to the Habitats Regulation Assessment (HRA) given the changes to the nutrient neutrality methodology issued by Natural England earlier this year. The Council have already recalculated the nutrient budget for the Local Plan and, with its consultants, are updating the Habitats Regulation Assessment accordingly. The updated calculation for the nutrient budget for the Local Plan does not show a significant change to the position stated in the HRA that accompanied the submitted plan and the Council is still of the

view that sufficient mitigation is available to address the nitrate neutrality issue in the Borough in line with our response dated 25th March 2022 (FBC065).

The Council has worked with Natural England on this update who remain supportive of our approach. They are content to update the Statement of Common Ground in response to this forthcoming consultation on main modifications. The updated HRA will be added to the Examination Library in advance of the start of that consultation, and the updated SOCG with NE shortly thereafter.

The Inspector will also be aware of a Written Ministerial Statement on the topic of water quality and nutrient neutrality from 20th July 2022. Having considered the content of that statement, the Council does not consider any further change to the plan or the HRA to be required.

Early Review of the Plan

As you are aware, work is ongoing within PfSH in relation to unmet need in the wider sub-region as part of the work to produce a new Joint Strategy. The Statement of Common Ground (FBC003) between the Council and the other authorities in PfSH sets out that all parties agree that the contribution to sub-regional unmet need as set out in the submitted plan is currently considered appropriate and that PfSH is supportive of authorities proceeding with local plans before the production of the Joint Strategy. The SoCG already states that should the Joint Strategy work identify sites not considered suitable for development in the Fareham Local Plan 2037, this would be a matter for the Local Plan review. For your information, the PfSH Joint Committee received an update on the work on 4th July 2022 stating that the work is delayed by approximately 9-12 months which means that it is now expected to conclude in the second half of 2023.

The Council recognises the concerns raised by the development industry through the examination process but welcomes the Inspector's recognition of the uncertainty regarding the quantum of unmet need in the sub region, and conclusion that the unmet need contribution included in the housing supply is appropriate and justified. The Council notes that the Inspector considers it necessary for the Council to include a commitment to an early review in the event that the PfSH work concludes that the borough should make an additional contribution to sub-regional unmet need.

The Council accepts that additional wording at paragraph 4.5 of the Plan could be added outlining the progress of the PfSH SDOA work, its progress at the time of writing and our intention to review the Local Plan should it conclude that there is a greater unmet need contribution which should be made.

Of note, is the proposed abolition of the duty to co-operate set out in the Levelling Up and Regeneration Bill and the proposed 'policy test of alignment'. While limited detail is available at present, these reforms are likely to influence future Fareham Local Plans as well as how PfSH authorities work together in the future.

Development Strategy – Policy DS3 Landscape

The Council has considered the options that the Inspector's Post Hearing letter sets out in respect of Policy DS3. Consequently, the Council welcomes the opportunity to put forward further evidence to address the concerns outlined by the Inspector. A report prepared by the

Councils' landscape consultants is attached to this letter (Appendix 2) and sets out further evidence to support the designation of ASLQs in the Local Plan.

This report is broken into three sections reflecting the critique of the methodology in paragraphs 14, 16 and 17 of INSP015. First, it sets out the justification for the overall approach towards ASLQ designation and cites recent cases and guidance that supports the Council's proposed policy. Second, it sets out why it is considered to be appropriate to designate sites scoring both 'high' and 'good' match to the ASLQ criteria. Third, the report addresses the comments with regard to the scale of the designation and the proportion of the Borough becoming ASLQ. On this, the scale of designation is essentially a by-product of the large character areas devised in the Landscape Assessment (DS001) and the Council's landscape consultants' methodology not to unpick/redraw those boundaries but use them as established in that earlier report. However, further work, including site visits, has suggested that there is potential for refinement in the largest of the proposed ASLQs in the Chilling/Brownwich area of the borough. This would focus the ASLQ on the undeveloped coastal area and would reduce the ASLQ in this part of the borough substantially.

It is important to reflect that the Council considers that the approach to valued landscapes has been fundamental to the development strategy and that policy DS3 requires proposals to demonstrate through a landscape assessment that the landscape can be protected and enhanced through development. Paragraph 3.57 provides guidance to applicants on how to do this by utilising the extensive commentary in the Landscape Assessment (DS001).

As you will recall, the majority of responses to the proposed ASLQs in the Local Plan Regulation 19 consultations were supportive of the principle of the designation but focused on detailed boundary issues largely in relation to sites promoted for inclusion in the Local Plan.

<u>Welborne</u>

The Council has considered the Inspector's suggestion to delay the trajectory for the delivery of Welborne. The Council notes the concerns about the lack of certainty on the programme of infrastructure enabling works and the submission of reserved matters applications. Since the examination hearings, more progress has been made to move this site towards delivery. The reserved matters application for the infrastructure on site was validated in June and the first reserved matters application for homes on site is expected in November 2022. The Strategic Design Code (SDC) and associated Street Design Manual is in advanced stages of development and due for submission to the Council. Approval of these documents will pave the way for approval of the reserved matters applications which are being developed in line with the SDC.

In view of the significant progress continues to be made, the Council disagrees that a full twelvemonth delay is required, as set out in paragraph 27 of your letter. The Council's position can be evidenced by the revised timescale for the submission of the first reserved matters application, which is scheduled for November 2022, just five months behind what was reported during the examination hearings. Buckland's response to the focused consultation, via their planning agents David Lock Associates, also agree a full year delay is overly pessimistic and suggest a delay more akin to six months. Their letter, dated 25th July 2022, proposes 150 homes in the first year of 2024/25 instead of the 30 homes proposed in the first year within the Housing Supply Topic Paper (FBC090). The Council considers this to be a more realistic proposition than 30 homes in the first year given the evidence of progress both in their letter and noted above. It recognises that the trajectory within the Housing Supply Topic Paper (FBC090) would need to be reviewed to reflect the changes to the trajectory for the site.

On the matter of peak delivery rates, paragraph 29 of your letter suggests a maximum of 260 homes in any given year and this was included in the trajectory included within the Housing Supply Topic Paper (FBC090). You will note that Buckland's response suggested that this should be revised further to between 200-250 homes per year. The Council considers that the lower end of this scale is overly pessimistic and does not align with the figure of 258 homes a year presented in the Welborne Position Statement (FBC082). Given the lack of evidence to support this lower figure provided by Buckland, and your earlier conclusion that 260 homes a year was a reasonable assumption as supported by the Council's commissioned report on delivery at Welborne (FBC050), we believe that the latter years of delivery could be revised down to 250 homes a year.

The consequence of these further changes to the number of homes to be delivered in the first year of Welborne delivery and a slight reduction in the delivery in the later years, is that Welborne's contribution to supply increases by 40 units to 3,050 homes (from 3,010 homes in the Housing Supply Topic Paper FBC090, but this figure represents a reduction from 3,610 homes in the submitted plan). This modest increase has a slightly beneficial impact on the five-year supply position upon adoption of the plan but no appreciable difference to the number of years for which the Council could demonstrate a five-year housing land supply, which remains at five. The supply contingency would increase marginally to 7.5% from the level of 7.1% calculated after the examination hearings on a supply position as of 1st April 2022.

BL1 Broad Location

The Council is pleased to note that soundness of the allocation is not a matter of concern to the Inspector. Throughout the two Regulation 19 consultations that the Council undertook in 2020 and 2021, and the examination process to date, it has always considered there to be a reasonable prospect of mixed-use regeneration on this site. If proposed as a necessary change to improve soundness, the Council would move the first two paragraphs for BL1 that are currently within the policy and include them as introductory text.

The Council's work on the Town Centre masterplan is progressing with consultants, Lambert Smith Hampton appointed to assist with a town centre concept approach as a precursor to an options consultation on the masterplan.

FTC3 and FTC4

The Council is disappointed to read the Inspector's suggestion to remove Fareham Station East and Fareham Station West from the Plan. However, the Council's Revised Appendix B of the Local Plan in the Housing Supply Topic Paper (FBC090) demonstrates that the loss of supply from the removal of both sites can be accommodated in the housing supply numbers. The loss of both sites results in a loss of 214 homes from the supply which, alongside the change to Welborne's delivery, is a factor in the reduced level of contingency in the supply from the 11% in the submitted plan to the 7.1% referred to in the Housing Supply Topic Paper (FBC090). Given the level of scrutiny applied through the examination to all elements of supply, the Council considers this to be acceptable to the Inspector, and that it will not be instructed to consider boosting the Local Plan supply at this advanced stage of the examination. The Inspector will no doubt be aware of the cyclical nature of Local Plan preparation and how matters of supply and housing delivery are under almost constant review by strategic planning teams. It is possible therefore that these sites may re-appear in a future Local Plan following ongoing work with the landowners and other interested parties.

Housing Allocation – HA42 Land South of Cams Alders

The Council accepts that the suggested change from the Inspector is intended to improve the soundness of the plan. As requested, the Council could draft a further site-specific requirement under housing Allocation HA42 to ensure that the policy complies with Policy NE1 of the plan (Strategic Policy – Protection of Nature Conservation, Biodiversity and Local Ecological Network).

If amended, the site-specific requirement would refer to Policy NE1 and the need for any proposal on the site to demonstrate that there would be no significant effects on the SINC and that if there were such effects, that appropriate mitigation can be secured.

Housing Allocation – HA51 Redoubt Court, Fort Fareham Road

The Council accepts that the suggested change from the Inspector is considered necessary to improve the soundness of the plan in relation to Redoubt Court. As requested, the Council could draft an additional site-specific requirement to the policy which would require the applicant to provide a landscaped buffer to the southern boundary with Longfield Avenue, in addition to the south eastern boundary as already specified in the existing policy wording. The Council can confirm that the removal of this designation would not impact upon the capacity of the site.

Housing Allocation – HA55 Land south of Longfield Avenue

The Council is pleased to note that soundness of the allocation is not a matter of concern to the Inspector. The Council accepts that the suggested change from the Inspector is to improve the soundness of the plan in relation to the Land south of Longfield Avenue. As requested, the Council could remove the strategic gap designation over the areas which are indicated for development in line with masterplan figure 3 (from document FBC063). Subsequent changes would be required on the Policies Map.

Housing Allocation – HA50 Land North of Henry Cort Drive

The Council accepts that the suggested change from the Inspector is intended to improve the soundness of the Plan in relation to Land North of Henry Cort Drive. The Council could remove the strategic gap designation from the allocation and subsequently from the Policies map. The revised boundary would run along the southern side of Henry Cort Drive itself to Henry Cort school and then continue along its current alignment.

Policy NE2 Biodiversity Net Gain

In response to your letter, the Council is pleased that you consider the policy to be justified.

The policy in the submitted plan proposed the net gain to be secured for the lifetime of the development and the Council accepts that this requirement could put the policy in conflict with legislation. However, the Council is reluctant to specify the 'minimum of 30 years' as

specified in the Environment Act for two reasons. Firstly, secondary legislation is required which, although proposed, may not come forward, and secondly, that requirement could change again in years to come which would put the plan in conflict with whatever future legislation may stipulate. Therefore, the Council considers it beneficial to draft an amendment to the policy to require the net gain to remain in place 'for an appropriate period of time' with additional supporting text specifying that the intention of the Council remains for the lifetime of the development but that national guidance and legislation would also be material consideration to that requirement.

Focused Consultation

In addition to the amendments detailed above, the Council undertook a focused consultation on three technical evidence papers, the content of which followed the direction of the Inspector:

- i. The Housing Supply Topic Paper
- ii. The Affordable Housing Topic Paper; and
- iii. The Windfall Analysis Update

The consultation commenced on the 5th July for a period of three weeks until the 25th July 2022. The responses received in relation to the focused consultation are available on our website and the Council's commentary on the responses received are attached to this letter (Appendix 1). The content of these documents shows the implications of the proposals in the Inspector's Post Hearings letter and relate primarily to the stepped requirement and subsequent changes to the introductory paragraphs in Chapter 4 and strategic policy H1.

The Way Forward

In this letter, the Council has set out our response to the Post Hearings letter. It has responded to your areas of concern and suggested an alternative delivery trajectory for Welborne both in terms of a delay to the start of housing delivery and peak delivery rates. This letter also responds to the option that you presented in relation to ASLQ and sets out our proposal to maintain the designation but to a reduced extent.

It is anticipated that you will make your views known on this letter in due course, alongside your views on the responses to the focused consultation, and that you will write to the Council setting out the main modifications that you consider necessary to move toward concluding that the plan is sound. The Council notes the suggestion of the development of a Schedule of Main Modifications in the Post Hearings letter and work is underway to draft a set of modifications in line with the suggested changes detailed in that letter.

This Schedule of Main Modifications would need to be agreed by the Council's Executive and Council and work is underway to ensure that the necessary approvals can be sought expediently in the coming months. Approval would be sought to consult on the schedule, and all responses to that consultation would be passed to you in order to assist the production of your final report on the examination.

The Council therefore looks forward to hearing from you so that the examination of the Fareham Local Plan 2037 can progress.

Yours sincerely

Gayle Wootton Head of Planning Strategy and Economic Development

Encl.

Appendix 1. Council comments on Focused Consultation responses. Appendix 2. Further ASLQ report (August 2022)