

Eastleigh Borough Local Plan 2016-2036



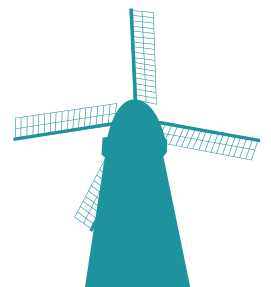
# Eastleigh Borough Local Plan 2016-2036

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## Housing Trajectory Update

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June 2019





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## Introduction & Summary

1. The Eastleigh Borough Local Plan 2016-36 (EBLP) is seeking to make provision for 14,576 (rounded in the plan to 14,580) net additional dwellings in the period 1<sup>st</sup> April 2016 to 31<sup>st</sup> March 2036. This equates to an annualised figure of 729 dwellings per year. This total housing target is derived largely from the informal and non-statutory sub-regional strategy prepared by PUSH (the Partnership for Urban South Hampshire) in the form of the Spatial Position Statement (SPS) published in June 2016.
2. This paper is a revised housing trajectory which sets out how the borough council expects that housing requirement will be met. It fully updates the original trajectory report which was published in July 2017 and the updated version published in June 2018 to a 1<sup>st</sup> April 2018 base date. Looking back beyond the start of the plan period to the 1<sup>st</sup> April 2011, it describes the various different sources of supply and explains the rationale and assumptions which underpin the dwelling numbers attributed to the various components of supply and how and why the dwellings have been phased the way they have over the plan period.
3. It also briefly explains the context in which Eastleigh borough sits in the Southampton Housing Market Area (HMA) and both the identification of housing need and the subsequent distribution of housing within and across the HMA. It explains and attempts to justify the discounts which have been applied to a number of sources of supply.
4. Taking into account completions delivered during the two years 2016/17 and 2017/18 of 1,410 dwellings (net) this reduces the residual requirement from 14,576 dwellings in 2016 to 13,166 at 1<sup>st</sup> April 2018. This trajectory shows how the local plan makes allowance and provision for the delivery of 13,485 dwellings; a surplus of 319 dwellings against the requirement. This means the ultimate conclusion of the trajectory report is that, even after the application of non-implementation discounts to the various components of supply, the council has reasonable confidence that more than sufficient dwellings will be delivered by 31<sup>st</sup> March 2036 to meet the local plan housing requirement. The delivery estimate of 13,485 dwellings is the council's formal position on housing land supply. However, the trajectory also sets out a number of different scenarios which modify the levels of discount applied to individual components of supply and identifies a number of different possible approaches to 'windfalls' in order to reinforce the view that this position is a reasonable one for the council to adopt.

### Methodology & data sources

5. The bulk of the raw data in this trajectory has been provided by Hampshire County Council (HCC) from its [Land Availability Monitoring System](#) (LAMS). LAMS is based on a comprehensive process of monitoring new planning permissions, starts and completions on sites based on information provided by district councils in Hampshire and supplemented by an annual round of site visits. LAMS is widely regarded as a comprehensive, robust and detailed

assessment of housing land supply in the county and its outputs are regularly scrutinised and supported through local plan examinations and s78 appeals.

6. The trajectory has a base date of 1<sup>st</sup> April 2018 as that is the latest date for which finalised full-year data is available.
7. As with previous versions, this trajectory records progress on developments which have been permitted since the base date in order to ensure it is as accurate and up to date as possible.
8. The phasing of delivery of sites which have been granted permission since the 31<sup>st</sup> March 2018 and so which do not appear in the LAMS database is based on direct contact with the landowners / developers / promoters of the sites in question. This direct contact has also informed the LAMS assessment. The outputs of this contact is described in regular updates to the council's 5-year housing land supply position which are produced on the council's behalf by consultancy GL Hearn. These regular [5-year supply updates](#) are uploaded on the council's website.
9. In order to be able to fully explain the derivation of the housing trajectory for the EBLP which covers the period 2016 to 2036 it is necessary to go back to an earlier base date of 1<sup>st</sup> April 2011 as that is the starting point for the PUSH Spatial Position Statement (SPS) (Examination Document HOU001) and accompanying evidence base (primarily the PUSH Strategic Housing Market Assessment (SHMA) (Examination Document HOU002) and subsequent update) (Examination Document HOU003). The trajectory describes the work which underpinned the establishment of the OAHN, the distribution of housing across the Housing Market Area (HMA) in which Eastleigh borough sits and the positions adopted by other authorities which sit, either in full or in part, in the same HMA.
10. The components of supply are as follows:
  - a. Total net completions 1<sup>st</sup> April 2011 to 31<sup>st</sup> March 2018;
  - b. Planning permissions on large sites (10 or more dwellings net gain) at 1<sup>st</sup> April 2018 (and granted since 1<sup>st</sup> April 2018);
  - c. Resolutions to grant planning permission issued since 1<sup>st</sup> April 2018;
  - d. Former local plan allocations from the draft 2011-29 version of the local plan;
  - e. An allowance for completions on small sites (9 or fewer dwellings net) based on past rates, for the period 1<sup>st</sup> April 2018 to 31<sup>st</sup> March 2036;
  - f. An allowance for completions on large windfall sites (10 or more dwellings net) based on past rates, for the period 1<sup>st</sup> April 2028 to 31<sup>st</sup> March 2036;
  - g. An estimate of the anticipated rate of housing delivery from the North of Bishopstoke and North and East of Fair Oak Strategic Growth Option (SGO) to be allocated in the local plan;
  - h. An estimate of delivery from sites newly allocated in the local plan

11. This draft trajectory does not cover point g. above in any detail. Delivery of the SGO is discussed in a separate paper (Examination Document SGO007a) and its Appendices (Examination Documents SGO007b-f).
12. A summary of the draft trajectory is set out below. This replicates the essence of Table 1 in the Appendices to this paper though the numbers may not tally exactly due to rounding:

### **EBLP Housing Trajectory 1<sup>st</sup> April 2011 to 31<sup>st</sup> March 2036**

#### **Requirement:**

Housing Requirement 1.4.2011 to 31.3.2036	<b>16,250</b>
Completions 1.4.2011 to 31.3.2018	3,084
Residual Requirement 1.4.2018 to 31.3.2036	<b>13,166</b>

#### **Supply:**

Discounted (5%) Large Site Commitment (& Permissions post 1.4.2018)	6,771
Discounted (10%) Resolutions post 1.4.2018	18
Discounted (20%) former Plan Allocations	1,071
Discounted (30%) Small Site Allowance at 39pa 1.4.2018 to 31.3.2036	702
Discounted (10%) Windfall Allowance at 104pa 1.4.2028 to 31.3.2036	832
SGO Delivery Within Plan Period	3,350
Total Discounted Supply	<b>12,744</b>

Shortfall (Supply minus Residual Requirement): **-422**

Allocated in local plan (including 10% discount) **742**

Overall plan provision (shortfall plus allocated) **+319**

Total Supply 1.4.2018 to 31.3.2036 **13,485**

13. All figures quoted are net figures and so take account of losses to the dwelling stock as a result of conversions, demolitions and changes of use. Each of the components of supply, aside from completions in the seven years since 2011 which reflect actual development that has already been built, is discounted to some degree varying between 5% and 30% of the total for the respective component of supply or compared to past rates of delivery. If no discounts were applied to any of the identified-site components of supply (excluding any new greenfield allocations) the trajectory would show a surplus of **+204** dwellings rather than a shortfall of **-422** dwellings (see Table 1 in the Appendices). This would mean there would be no need (in purely numerical terms) for the local plan to allocate any additional land for residential development in order to meet the local plan target as it would already be in surplus.

14. If the large and small site windfall allowances also went undiscounted the trajectory surplus (without new small greenfield allocations) would be over 600 dwellings (606) (see Table 19 in the Appendices). If all components of supply went undiscounted and a large site windfall allowance was counted for 13 of the remaining years of the plan period (rather than the eight year period included in the trajectory), the trajectory would be approximately 1,200 dwellings in surplus (1,186) without counting new small greenfield allocations (see Table 20 of the Appendices). Adding in an undiscounted contribution to supply of 824 dwellings from the new allocations would take the most optimistic assessment of supply surplus to well over 2,000 dwellings (2,010) against the residual plan requirement of 13,166 (see Table 20 in the Appendices).

### A Cautious Trajectory

15. It must be stressed that these undiscounted surpluses do not represent the council's formal position on land supply for the purposes of this local plan. They have been produced to inform the debate in response to the suggestion at an advisory visit from PINS that the council remove discounts from the trajectory. The council considers some caution is required on this in view of the failure of the previous local plan (largely on housing land supply grounds) and the pressure the council is under from the Ministry for Housing Communities and Local Government to achieve a 'sound' local plan. However, these undiscounted tables illustrate the point very clearly that this trajectory is a realistic but cautious trajectory in terms of the residual figure to be addressed through new allocations in the local plan. The matter of discounts is revisited at the end of this trajectory report.
16. It is also worth considering the strategy implications of pursuing an undiscounted approach. As noted above, in a scenario where no discounts were applied, there would be no need for any new greenfield allocations in the plan. The housing requirement could be met from the commitment, windfall allowances and development on the SGO. In strategy terms this would not constitute a balanced portfolio of housing provision. It would represent an inflexible strategy which did little to provide choice and variety in the housing market in terms of the size, type and location of site to be developed. In terms of new development allocations it would be a strategy which placed 'all its eggs in one basket' in the form of the SGO. There would be little, if any, contingency to deal with any uncertainty or delay surrounding the implementation of the SGO (in particular). In the council's view such an inflexible strategy would not represent a robust housing position and would be likely to mean the local plan failing to meet the NPPF 'tests of soundness'. This is considered to be a further reason for adopting a cautious approach.
17. That said, it is clear from completions achieved in the period 2011 to 2018 that future delivery of housing will have to occur at a level which is consistently significantly higher than that achieved on average during those first seven years. Against a PUSH target which equates to an annual average figure of 650 dwellings per year, only 441 net completions per year were

achieved on average in the first seven years (see Table 3). While this compares favourably to the 1,674 completions achieved in the first five years (average 335pa) it still means that delivery must average 731 dwellings each year of the remainder of the plan period if the 16,250 dwelling 2011-2036 PUSH target is to be met. While 893 net completions were delivered in the most recent year (2017-2018), by adopting a cautious approach to delivery of most sources of supply compared to past rates, the borough council is aiming to ensure that there is a sufficient supply of new sites allocated and available for development to ensure this completion rate is achieved and maintained. This approach appears to be working – see paragraph 49 below.

18. It is also worth noting that this trajectory addresses the full PUSH timescale 2011-2036. It does not attempt to ‘sweep under the carpet’ any under-delivery in the early years of that period to derive the 2018-2036 residual requirement. Rather this is carried forward in this trajectory in the residual housing requirement at 1<sup>st</sup> April 2018 of 13,166 dwellings (731pa annualised average).
19. Table 2a in the Appendices describes the trajectory by individual component of supply and by year. This year by year trajectory is of the undiscounted supply and shows the surplus of 204 dwellings before any contribution from the new greenfield allocations is counted. A full undiscounted trajectory including phasing of the new greenfield allocations is contained in Table 17 of the Appendices.
20. Table 2b is a discounted version of Table 2a. The discount takes the numerical value of the 5%, 10% and 20% discounts for the commitment, former plan allocations and resolutions components of supply respectively and applies these on a pro rata basis for each of the years those components of supply are anticipated to contribute to overall supply. In other words, a 5% discount to the commitment component of supply equates to 356 dwellings (5% of 7,127). Commitments are expected to contribute to supply for 12 years of the trajectory period from 2018/19 to 2029/30. 356 divided by 12 = 30 (rounded from 29.67) so each year is discounted by 30 dwellings in Table 2b compared to Table 2a. This same approach is applied to the ‘resolutions’ and ‘other allocations’ components of supply. Table 2b shows that, applying these discounts and without any new greenfield allocations, there would be a shortfall of **-422** dwellings against the residual requirement. A full discounted trajectory including phasing of the new greenfield allocations is contained in Table 18 of the Appendices.

#### Continuity of supply

21. It is interesting to note from any of these year-by-year summary trajectories that they show a reasonable continuity of supply throughout the plan period. While there is a degree of front-loading this reflects the extent to which the council has granted or resolved to grant planning permission for new housing development in recent years (largely on the back of the failed draft 2011-29 local plan). It also reflects the excessive requirements of the ‘Sedgefield + 20%’ 5-year supply calculation regime. These sites which currently benefit from planning permission will come forward in the early years along with a



continuous supply of small sites throughout the whole plan period. As these begin to dwindle the sites which are currently going through the process of securing permission and are in receipt of a council resolution to permit will come on stream. This will be most likely followed by the former local plan allocations on which active discussions are currently taking place with landowners, developers and site promoters and the new sites allocated in this local plan. Eight years into the plan period (from 2016 i.e. by 2024/25) it is anticipated that the North of Bishopstoke and North East of Fair Oak Strategic Growth Option (SGO) will come on stream and continue to deliver well beyond the plan period. And in year twelve (2028/29) an allowance is made for unidentified large windfalls to begin to come forward.

22. This continuity of supply point is also illustrated in Tables 21 and 22 of the Appendices which show a cumulative surplus / deficit position year on year when comparing completions against the housing requirement. The top half of each table show the position based on the full housing trajectory. The bottom half of each table shows the position if the SGO does not come forward. Table 21 is an undiscounted version and Table 22 a discounted version of the same scenario. These tables show a surplus of supply for the majority of the plan period only going into deficit (in the 'red') in the latter years of the plan period if the SGO is assumed not to come forward.
23. More importantly, however, these tables show that, even if it is assumed that the SGO does not happen, there is sufficient supply in the other components of the trajectory to keep the plan in surplus against the housing requirement for the majority of the plan period. Based on the undiscounted assessment (Table 21), the local plan remains in surplus until the end of the 2031/2032 (i.e. 31<sup>st</sup> March 2032). Even on the basis of a discounted assessment (Table 22), and if there was no contribution from the SGO, there is sufficient supply in the other components to keep the plan in surplus until the end of the 2030/2031 year (i.e. 31<sup>st</sup> March 2031) all other things being equal. That said, while 31<sup>st</sup> March 2031 is 15 full years from the start of the plan period (1<sup>st</sup> April 2016), it is only 11 years from the anticipated date of adoption of the local plan (nominally assumed to be March 2020).
24. So, taken as a whole, the trajectory demonstrates that there will be a continuity of supply throughout the plan period and that there will be a variety of size, type and location and timing of sites coming forward to provide choice and flexibility in the market.
25. Following a description of the wider housing market area in which Eastleigh borough sits, the remaining sections of this paper go on to explain the individual components of the trajectory in more detail and set out the sources of the data, the assumptions applied and the justification for the approach to estimating each individual component of the calculation including the justification and rationale for the various discounts applied.

## The Southampton Housing Market Area

26. The borough of Eastleigh sits fully within the Southampton Housing Market Area (HMA). The explanation of the definition of housing market geographies in the PUSH area is set out in SHMA (Examination Document HOU002a) carried out for PUSH by the consultancy GL Hearn in January 2014.
27. In summary this SHMA took, as its starting point, a 2004 study commissioned from consultancy DTZ by the South East England Regional Assembly which identified a distinct South Hampshire housing market and, within that, two distinct clusters centred on the urban areas of Southampton and Portsmouth. In undertaking the SHMA, GL Hearn supplemented this DTZ work with more up to date analyses of migration flows (from ONS Internal Migration Statistics 2006-2011), commuting dynamics (2011 Census Travel-To-Work-Area data supplemented by more recent information from the 2011 Annual Population Survey on commuting dynamics), house-types and prices (from 2013 Zoopla Zed-Index data) and socio-economic characteristics (from Experian's Mosaic Classification) to arrive at the final HMA boundaries for the Southampton and Portsmouth HMAs. This is explained in depth in paragraphs 3.12 (p25) to 3.61 (p35) of the 2014 PUSH SHMA.
28. There is no evidence of any significant factor which would necessitate a change to these HMA geographies having arisen in the time since the SHMA was produced. Certainly, there was not felt to be a need to reconsider these when the 2014 SHMA was updated in 2016 (see below).

## The Housing Requirement 1 - PUSH

29. The housing requirement for the local plan is derived from the PUSH SPS prepared by PUSH and published on its website on 7<sup>th</sup> June 2016 (Examination Document HOU001). Position Statement H1: Housing Distribution of the SPS (page 33) (the SPS refers to its 'policies' as "position statements" rather than as policies) allocates Eastleigh borough a figure of 14,950 dwellings for the period 2011-34. This equates to an average annualised figure of 650 dwellings per year. It is acknowledged that the SPS is a non-statutory document. However, it is an important material consideration in the preparation of the local plan as it represents an agreed position between the south Hampshire authorities and so is a manifestation of the duty to co-operate being successfully delivered by those authorities. The SPS also makes it clear that, while the housing targets in Position Statement H1 are to be treated as minima, they are not hard-and-fast requirements:  
*"Housing targets set out in Table H1 are intended to inform the review of local plans to meet longer-term development needs, particularly beyond 2026. .... a district's housing requirement must be established through a more detailed (localised) consideration of environmental constraints, infrastructure requirements and the need for complementary land uses."* (para 5.33)
30. As noted above, the housing figures in Position Statement H1 of the SPS were derived from work done by the consultancy GL Hearn to inform the

preparation of the SPS; namely a Strategic Housing Market Assessment (SHMA) for South Hampshire dated January 2014 (Examination Document HOU002a) supplemented by an Objectively Assessed Housing Need (OAHN) Update dated March 2016 (Examination Document HOU003).

31. In deriving an OAHN figure for each district or part of district which makes up the Southampton HMA, GL Hearn were not starting from a blank sheet of paper. As well as national policy, a more local steer was provided by the PUSH [South Hampshire Strategy 2012-2026](#) which pre-dated the SPS. A summary of the housing provisions of the Strategy is provided at Table 5 on page 44 of the 2014 PUSH SHMA (Examination Document HOU002a). It was also influenced by the suite of local plan documents which were either adopted or in preparation for those districts comprising the Southampton HMA. That high level background was then modified to take on board up to date information on a variety of demographic and market data sources.
32. These data sources started with the 2012-based population and household projections with amendments to reflect the implications of the 2013 and 2014 Mid-Year Population Estimates which, in turn, capture changes to internal and international migration. Uplifts are applied to reflect levels of affordable housing need, economic-led housing needs (based on econometric forecasts commissioned by the Solent Local Enterprise Partnership from Oxford Economics which forecast 2.7% pa GVA growth across the PUSH sub-region in the period 2011-2030) and market signals (house prices, rents and overcrowding). The result of all of this analysis was that the SHMA update identified an OAHN for Eastleigh borough of 580 dwellings per year (see Table 62 on page 115 of the March 2016 OAHN Update – Examination Document HOU003). The March 2016 OAHN update report concludes for Eastleigh in paragraphs 6.42 to 6.44 (pages 112-113) as follows:

**“Eastleigh**

*6.42 Trend-based demographic projections using the latest data indicate a need for 546 dwellings per annum. The economic evidence does not provide an upside to this, showing a need for 527 homes per annum.*

*6.43 The affordable housing evidence points to a need for between 360-453 affordable homes per year, representing 66-83% of the demographic-led need. Market signals provide evidence of moderate affordability pressures.*

*6.44 Taking account of the market signals, and the need to boost affordable housing provision, we consider that the full OAHN would represent 580 homes per annum. A higher upward adjustment is made relative to other areas in order to support improvements to affordability.” (emphasis added)*

33. As noted above, Eastleigh sits within the Southampton HMA and the Eastleigh OAHN figure of 580 dwellings per year sits within a Southampton HMA OAHN of 2,280 dwellings.

34. This is split between the districts / part districts which make up the Southampton HMA as follows:

**Housing Need and Supply – PUSH Southampton HMA (average dwellings per year)**

District / Part-District	PUSH OAHN 2011-2036	PUSH SPS Target 2011-2034	Surplus / Deficit	Local Plan Target	Standard Methodology	Net completions 2011-2016
Eastleigh	580	650	+70	729e	715	335
Fareham (p)	115	89	-26			265
New Forest (p)	210	157	-53			83
Southampton	1,115	846	-269	815a	942	796
Test Valley (p)	185	202	+17	194a		195
Winchester (p)	75	233	+158			146
<b>HMA Total</b>	<b>2,280</b>	<b>2,177</b>	<b>-103</b>			<b>1,820</b>

Notes:

- The PUSH SPS deliberately does not express the housing requirement in the form of an average annual target. The figures in the table are derived from the total requirement figures for comparison purposes only
- Totals may not tally exactly due to rounding
- a = adopted
- e = emerging
- p = part of district within PUSH area
- With the exception of Test Valley, the other part district local plans do not express a housing target specifically for that part of their district within PUSH
- The standard methodology figures are only available for whole districts
- Net completions data provided by HCC LAMS.

35. It is clear from the table above that Eastleigh is allocated a housing target in the PUSH SPS (650) which is higher than its OAHN (580). Across the HMA as a whole, however, there is a shortfall in planned development compared to the OAHN figure of 103 dwellings per year. This equates to 4.5% of identified need in the HMA. Multiplied by the 23 years of the PUSH SPS period (2011-2034) this equates to a total HMA shortfall of 2,369 dwellings (103x23). This shortfall is discussed in paragraphs 5.13 to 5.17 of the [Report to the PUSH Joint Committee dated 7<sup>th</sup> June 2016](#) at which the SPS was presented.

Paragraph 5.16 in particular notes:

*“.....the options for meeting this major need are constrained by a wide range of factors: the capacity of the cities and urban areas; the Solent / Southampton Water to the south; the two National Parks to the west and north; significant international and national nature conservation designations within and adjoining the area, and the adverse impact of increased visitor pressures on these areas; the Isle of Wight Area of Outstanding Natural Beauty; the importance of maintaining distinct countryside gaps between cities and towns; other local environmental designations; and the rural / unconnected nature of northern PUSH.”*

36. In the process of preparing the SPS the PUSH authorities were asked to revisit their initial assessments of capacity in their areas in order to try to 'close the gap' between OAHN and supply. This resulted in slight increases in capacity in some areas but, despite 'leaving no stone unturned' in the search for additional capacity it was not possible to fully 'close the gap'.
37. Most of the other authorities in the Southampton HMA are ahead of Eastleigh in terms of local plan preparation. All authorities have NPPF compliant local plans adopted as set out below. [New Forest](#) and Fareham are currently in the process of reviewing their local plans (although [Fareham](#) has recently announced a cessation of work until Government provides greater clarity over the Standard Housing Methodology). Both councils are proposing to meet their PUSH OAHN targets in their emerging local plans.
38. It is the council's view that any future apportionment of the Southampton HMA shortfall, such as it may or may not still exist, is a matter for PUSH to address through a review of the PUSH SPS based on evidence arising out of an updated SHMA. Of the three HMA authorities identified in the SPS as making a net positive contribution to supply above their OAHN (see Table at para 34 above), only Eastleigh and New Forest are currently at an advanced stage of preparing a local plan. Test Valley and Winchester both adopted NPPF compliant plans or part plans relatively recently and neither authority has currently commenced a review. The borough council is firmly of the view that it should not become wholly liable for the Southampton HMA shortfall solely by virtue of being 'last-man standing'.

District	Most Recent Local Plan Adoption Date	Emerging Local Plan to 2036
Eastleigh	25 May 2006	Reg 19 consultation June/July 2018. Submission October 2018
Fareham	8 June 2015	Reg 18 consultation October – December 2017. Stalled at February 2019. Issues & Options published June 2019
New Forest	14 April 2014	Reg 19 consultation June/July 2018. Submission November 2018. Examination commenced June 2019
Southampton	18 March 2015	Issues & Options expected Autumn 2019
Test Valley	27 January 2016	Issues & Options consultation July – September 2018. Reg 18 preferred options expected Summer 2019
Winchester	5 April 2017	Issues & Options consultation July to September 2018. Reg 18 draft plan expected December 2019

39. At the meeting of the [PUSH Joint Committee on 15<sup>th</sup> October 2018](#) it was resolved that the PUSH authorities should work together under the Duty to Cooperate to seek to produce a Statement of Common Ground and explore the production of an Infrastructure Investment Plan. At the subsequent meeting on the [4<sup>th</sup> December](#) it was clarified that the Statement of Common

Ground would address 'strategic issues' including housing and employment targets and should explore the potential for the introduction of a South Hampshire Green Belt. The Infrastructure Investment Plan would investigate what further infrastructure would be needed to support sustainable growth in the sub-region.

40. Paragraph 8 of the 4<sup>th</sup> December report refers to the PUSH authorities carrying out a new Strategic Housing and Employment Land Availability Assessment (SHELA) to be undertaken quickly to inform future housing distribution. Paragraph 9 of the report quotes that the timetable for this work "needs to stretch over months rather than years". This clearly demonstrates that the PUSH authorities recognise there is a need to keep the SPS and the evidence on which is based up to date in order that it can usefully inform the local plans. It also provides a clear statement of intent that this work needs to be undertaken in the short relatively short term. A copy of the full report is attached as Appendix 1 to this trajectory report.

#### The Housing Requirement 2 – EBC update of OAHN

41. Since the production of the PUSH Position Statement the borough council resolved, at a meeting of its [Cabinet on the 14<sup>th</sup> July 2016](#), to use a new interim target for the purposes of monitoring 5 year land supply of 630 dwellings per year. This figure arose after consideration of the then current assessment of five year land supply as considered by a Planning Inspector at a s78 appeal in respect of land at Bubb Lane, West End dated 24<sup>th</sup> May 2016. The Inspector determined that, "for the time being" on the basis of the evidence available to him, the OAHN figure for Eastleigh borough should be 630 dwellings per annum (see para 42 of Appeal Decision APP/W1715/W/15/3063753). Despite this, the appeal was dismissed.
42. At a subsequent appeal on the same site (APP/W1715/W/16/3153928) (planning application reference O/15/77112 for up to 200 dwellings) the council submitted evidence (also produced by GL Hearn) dated June 2017 which comprised a full evidence-based justification for the 630 dwellings per annum figure. The relevant information has been extracted from that statement (section 5 "Reviewing the OAN", pages 36-62) and has been set out in a separate local plan [OAHN background paper](#) (May 2018) (Examination Document HOU0004).
43. In summary, that OAHN update took as its starting point, the following:
  - CLG's (as was) 2014-based population and household projections issued in May and July 2016 respectively;
  - ONS's 2015 Mid-Year Population Estimates;
  - Updated migration profiles to reflect the sub-national population projections;
  - Updated economic participation rates and GVA growth forecasts based on estimates from the Office for Budget Responsibility, Oxford Econometrics and Experian;

- Various uplifts for future affordable housing need which reflected forecasts of newly-forming households, those in temporary accommodation, concealed households and homelessness;
  - Uplifts for market signals in terms of land values and house prices; and
  - Past under-delivery of housing in the borough.
44. The update concluded that the evidence supported a figure of 630 and this was accepted by that appeal Inspector. That appeal was also dismissed on 13<sup>th</sup> September 2017. This figure of 630 dwellings per year has been used as the basis for calculating 5-year supply in subsequent appeals and this has been accepted by a number of appeal Inspectors in subsequent appeals.
45. While a new OAHN figure of 630 dwellings per year, on the face of it, reduces the contribution made by Eastleigh borough to the wider Southampton HMA shortfall, it is still less than 650 dwellings per year meaning that the local plan still comfortably exceeds its OAHN figure. It will not be possible for the borough council to further address any shortfall in the wider Southampton HMA (such as it may or may not still exist) as a revised OAHN for the wider market area has not been calculated. This will be a matter for the PUSH authorities to consider through an update of the sub-regional SHMA and a review of the spatial strategy and the distribution of housing across the PUSH area (see paragraphs 39 and 40 above).

### Housing Land Supply

#### a). Past Completions

46. Table 3 of the Appendices summarises the total net completions achieved in the period 1<sup>st</sup> April 2011 to 31<sup>st</sup> March 2018. It is derived from data kindly supplied by Hampshire County Council from its LAMS. The figures are net figures meaning that they take into account losses to the dwelling stock. Such losses often come about through the demolition of existing dwellings, the conversion of a dwelling into separate units or flats or the change of use of dwellings to other uses.
47. The County Council, in its monitoring of housing land supply, distinguishes between large and small sites. Large sites are those accommodating a gain of 10 or more dwellings (gross, regardless of losses). Small sites are those accommodating a gain of 9 or fewer dwellings (also gross).
48. Table 3 shows that completions totalled **3,084** dwellings in the seven year period 1<sup>st</sup> April 2011 to 31<sup>st</sup> March 2018; an average of **441 dwellings per year**. This compares well to the total of 1,674 completions achieved in the five year period (2011-2016) (annualised average 335). In 2017/18, for the first time annual completions (at 893 dwellings) exceeded both the 650pa PUSH target and the residual plan target of 731 pa.
49. Clearly, after many years of relatively low levels of development, the completions monitoring data now shows that delivery is moving in the right direction in the borough. Completions have increased from 458 in 2015/16 to

517 in 2016/17 and to 893 in 2017/18. It is promising to note that 2017/18 also saw 946 starts recorded indicating that there is the potential for these rates to be sustained. This is to be expected in view of the large stock of implementable permissions now in place. Indeed, provisional completion monitoring results for the 2018-2019 year show that there were 1,162 (net) completions in that year. 1,554 starts were also provisionally recorded.

50. Setting this provisional draft data aside for the time being, the 2017/18 completions figure of 893 dwellings represents the highest annual completion rate achieved in the borough for many years. Based on [published information on the HCC LAMS website](#), the next highest rate achieved was 742 in 2006/7. The last and only time 893 or more net completions were achieved in a single year in the borough was in 2004/05 when 906 were achieved (see Table 4 in the Appendices).
51. However, the council considers that the level of completions which need to be achieved going forward is not unachievable. This is evident from the provisional 2018-19 monitoring data described above. It is also evident if longer term past delivery rates are considered (pre-dating the plan period). Looking at Table 4 in the Appendices the average annual net completion rate achieved in the 20 year period 1991 to 2011 was 483 dwellings per year. Completion rates in individual years reached 730 dwellings in 1993/94, 742 in 2006/07 and 906 in 2004/05.
52. There is data available from HCC which shows that annual rates of well over 1,000 dwellings were achieved during the 1970's and 80's on large sites alone. However, as this is very historic data it cannot be guaranteed to be directly comparable with post-1990 data so is to be treated with a degree of caution.
53. Returning to the 2011-2018 period, it is interesting to note that, in a time when 3,084 completions were achieved, the council actually granted planning permission for 8,946 dwellings (net) (see Table 5 in the Appendices). Clearly there is a lag time between permissions being granted and development commencing. It also has to be acknowledged that the 8,946 figure includes all planning permissions (outline and full). However, in broad terms it illustrates that the availability of housing permissions is only one element of the housing delivery equation. There needs to be both effective market demand and a willingness on the part of the development industry to get on and develop sites in order for housing completions to come forward. It is not simply a function of the availability of planning permissions at any particular point in time.
54. Tables 6 and 7 in the Appendices to this paper provide more detail of the completions achieved in the period 1<sup>st</sup> April 2011 to 31<sup>st</sup> March 2018 in respect of large sites and small sites respectively. In the case of the large site completions these are listed by site and by year in Table 6. Table 7 provides a summary of small site completions by year albeit that Table 11 provides the data by site and year. Tables 7 and 11 also include data on completions on



garden land which is relevant to the matter of small site and windfall allowances which are considered in section e) of this paper.

b). Commitment

55. The commitment table (Table 8 in the Appendices) lists all the large sites (10 or more dwellings) which benefit from a current valid planning permission at 1<sup>st</sup> April 2018 and sets out their expected delivery trajectory by year until they are complete. It includes sites with both outline and full/reserved matters permission and sites granted on appeal by a planning inspector or the Secretary of State. The numbers included in the table are net and so take into account any losses. This data is also sourced from the HCC LAMS albeit that it is updated with a commentary on the current state of play on each site, sourced from the borough council's five year supply report which is updated regularly by GL Hearn consultancy.
56. In addition the commitment figure also includes a number of permissions which were granted planning permission post-1<sup>st</sup> April 2018 up to approximately the end of December 2018. Such sites are shown in red text in Table 8. In the first May 2017 version of this trajectory there were three such sites totalling 35 dwellings. In the updated June 2018 revised trajectory there were 21 sites totalling 3,051 dwellings; all granted permission in an approximately 24-month period post-1<sup>st</sup> April 2016. Previously, most of these sites appeared in the 'resolutions' category. Progress on the negotiation of s106 agreements and suchlike have seen these resolutions turned into planning permissions. In this June 2019 version of the trajectory, there are now 6 sites totalling 118 dwellings granted permission post-1<sup>st</sup> April 2018. Clearly these recent permissions are a known source of supply which will deliver dwellings during the plan period. As such the council considers it would be unreasonable not to include them in the trajectory. There is one site for 70 dwellings, however, which has not been included in the trajectory. This is because, even though it has been allowed on appeal (APP/W1715/W/18/3194846 Land west of Satchell Lane, Hamble O/17/80319), the council is seeking leave to challenge this decision in the High Court. Including the site in these circumstances was considered unreasonable. However, if this action ultimately proves unsuccessful then this will add a further 70 dwellings to supply.
57. In terms of the annual phasing of permissions, as a five year supply study, the most recent GL Hearn paper only phases the delivery of sites up to 31<sup>st</sup> December 2022 (five years from the 1<sup>st</sup> January 2018 base date). For the purposes of this trajectory, which covers the longer plan period, it is assumed that, where sites are expected to be built over longer than the five year period, delivery will continue at the same rate beyond the five year period until they are complete. Given that the phasing within the five years is updated by GL Hearn based on contact with the developers and promoters of the sites in the commitment list, this is considered to be a reasonable and robust approach. Clearly, however, the larger the site and the longer the period over which it is to be built out, the larger the degree of uncertainty there is over the accuracy of the estimate.

58. Table 8 of the Appendices highlights how much development is committed on large sites at 1<sup>st</sup> April 2018 (and including more recent permissions) and shows that there is currently a stock of **7,127** net permitted dwellings from this component of supply. This equates to over half of the residual local plan housing requirement of 13,166 dwellings (54.1%) about which there is a high degree of certainty that housing delivery will ensue.
59. Taken together, if completions (Table 3, 3,084 dwellings) are added to the stock of large net permissions (Table 8, 7,127 dwellings) and net small permissions (Table 12, 201 dwellings) they total 10,412 dwellings which equates to around two-thirds (64.1%) of supply required to deliver the 16,250 PUSH housing target. This is considered to be a robust starting point for housing delivery going forward.
60. Even though there is a large stock of committed dwellings it is occasionally the case that some planning permissions are not taken forward or implemented on the ground. This can be for a number of reasons including a change in ownership, owners changing their minds or because the application for development was never a serious development proposition in the first place and was only submitted for valuation or other reasons. Whatever the reason, it is standard practice to make an allowance for this uncertainty. If it is known that a site will definitely not be implemented then it would not be counted as a genuine commitment on the basis that the National Planning Policy Framework (NPPF) requires authorities to identify a supply of developable and deliverable sites (see para 47 and footnotes 11 & 12 of the 2012 NPPF, paragraph 67 and the glossary of the 2018 NPPF) and such sites would not be considered developable or deliverable.
61. Because this is an allowance for uncertainty it is not possible to simply discount certain sites. Rather it is usual to apply a percentage discount to the total commitment figure. A 10% discount is widely used though some authorities use a smaller percentage if they have a greater degree of confidence (based on robust evidence) that more of their commitments will definitely be implemented. Authorities rarely use greater than 10% as that is tantamount to an acknowledgement that there are probably some sites included in the commitment which should not be counted at the outset.
62. The borough council publication “Five Year Housing Land Supply Position: Housing Implementation Strategy for the Borough of Eastleigh” dated 30<sup>th</sup> June 2015 noted, at paragraph 4.2.5 that:

*“4.2.5 In order to provide a robust estimate of how many of the dwellings that are the subject of outstanding planning permissions are likely to be delivered, an analysis of lapse rates has been undertaken. This compared the net number of previously permitted dwellings where permission was allowed to expire against the total number of dwellings with outstanding planning permission. This analysis looked at the annual rate of lapses each year between 2001 and 2014. The findings*

*indicate that outstanding permissions should be discounted by 1% to allow for lapses.”.*

63. On this basis, and given the circumstances as they pertain to Eastleigh borough, it is considered that a 10% discount of the commitment would be overly cautious would excessively reduce the estimate of potential supply meaning more greenfield sites may need to be allocated than are necessary to meet the housing requirement. Looking at the individual sites which comprise the commitment in Table 8 of the Appendices, a large number of the sites committed at 1<sup>st</sup> April 2018 are already under-construction meaning they are highly likely to deliver their anticipated dwelling supply. Of the 51 committed sites listed in Table 8 of the Appendices, 26 were under construction as at the 1<sup>st</sup> April 2018 base date. Of those not started or are currently known to be under-construction, 10 only have outline planning permission leaving only 14 sites with a full implementable permission on which work has not started. 3 of these were only permitted post-1<sup>st</sup> April 2018. All of the committed sites are expected to be complete by 31<sup>st</sup> March 2030. [For this reason columns for the years 2031-2036 have been removed from Table 8 in order to make the table easier to read / print]. The site with the most distant phasing is now in the full ownership of the council.
64. The council has direct control of c1,700 of the committed dwellings on 4 sites (sites 0249, 0359, 0353 and 0360) and has some direct involvement in the delivery of housing on site 0339. There is genuine uncertainty surrounding the delivery of only two sites out of the 52 committed.
65. Site 0309 (Draper Tools) remains in employment use. The eventual redevelopment of the site is understood to be closely tied to the personal circumstances of the site owner. However, the owner has recently secured reserved matters consent (from the previous outline) suggesting that, even if the site may not be developed in the short term, there continues to be progress made and there remains a reasonable prospect of delivery within the plan period.
66. Site 0343 (Mitchell House) secured consent through the prior approval process for conversion from office use to residential. The site has been recently promoted for a health use but that now seems to have stalled. It is understood that the owner is now reverting to pursuing the residential option.
67. In spite of this large degree of certainty about the majority of supply it is considered that a 1% discount is probably unduly cautious. Accordingly a discount of 5% is applied to the large site commitment in this trajectory to account for potential non-implementation. While it is acknowledged this could be argued to be a somewhat arbitrary figure, it is derived, to a degree, from known uncertainties about the specific sites identified above meaning that there is an element of site specific evidence behind it rather than it being a wholly random figure. A 5% discount of 7,127 equates to 356 dwellings which is in excess of the total capacity of the 2 sites identified above (207 dwellings). So 5% is still considered to be a generous discount given the circumstances surrounding the sites which make up the total commitment. However, the

borough council wishes to ensure that the overall assessment is robust and that the local plan's approach to housing supply is reasonable and realistic.

c). Resolutions

68. Resolutions refer to those planning applications which have been taken to the relevant local area planning committee and received a council decision to grant planning permission subject to certain outstanding matters being addressed before the permission is issued. The authority to resolve those matters is usually delegated to officers and the formal decision notice can be issued once officers are happy the matters have been resolved. This normally involves the need to negotiate s106 agreements for the provision of infrastructure or services associated with the proposed development or a requirement for the developer to provide further information and assurances to the borough council that certain matters can be adequately addressed.
69. A resolution does not have the same degree of weight or status as a formal commitment as a development could not be implemented on the back of a committee resolution. For this reason resolutions are treated separately to formal commitments in this trajectory. It is also the reason why it is proposed to apply a greater discount to the resolutions category than the formal commitment as there may be more reasons why some sites are not taken forward. More usually it is a case that there may be a long delay while these negotiations take place rather than a site not be implemented at all. However, a resolution is still a formal decision of the borough council that permission will be granted provided those outstanding matters can be overcome and so it is reasonable for this element of supply to be included in the housing trajectory.
70. Compared to the previous version of this housing trajectory, resolutions now form a very small component of overall supply. As noted in paragraph 56 above, the vast majority of what were 'resolutions' in earlier versions of this trajectory have now been granted planning permission and so appear in the 'commitment' category. There is now only one site under the resolution heading with a capacity of 20 dwellings.
71. In terms of the discount, as with the commitment figure above, it should be noted that the document "Five Year Housing Land Supply Position: Housing Implementation Strategy for the Borough of Eastleigh" dated 30th June 2015 states, at paragraph 4.2.6 that:  
*"4.2.6 These sites are the subject of committee resolutions to grant planning permission but are awaiting the completion of legal agreements. They are also included in the schedule in appendix 2. As with outstanding permissions this total has been discounted by 1% to allow for lapses."*
72. As with the commitment figure, it is considered that applying only a 1% lapse discount does not fully reflect the degree of uncertainty and does not provide sufficient flexibility in the supply of land for housing. Given that a resolution to grant planning permission is of a lesser status than the formal issuing of a decision notice it is reasonable to assume that, in principle, there is somewhat

less of a guarantee that a site with a resolution will be implemented than one with the benefit of an actual planning permission. This is the approach adopted in this trajectory though it is acknowledged that there is a degree of subjectivity as to what level of discount it is reasonable to apply. If it is considered reasonable to discount the commitment by 5% then it is proposed that the resolutions figure should be discounted by 10% to reflect this greater level of uncertainty. Applying a 10% discount to the 20 dwellings in this category reduces the resolutions figure by 2 dwellings leaving a net discounted resolutions figure of **18 dwellings** (see Table 9 of the Appendices).

d). Former Local Plan Allocations

73. The draft 2011-29 local plan, which was found unsound by the local plan examination Inspector, was never formally withdrawn by the borough council. This was a deliberate decision as the council wished to provide a context, albeit a non-statutory one, to guide future housing development in the borough. This has proven particularly prescient as the vast majority of sites allocated in that draft local plan now feature in the commitment component of this housing trajectory.
74. The draft 2011-29 local plan made housing allocations for a total of 6,811 – 6,841 dwellings (two sites expressed a capacity by way of ranges totalling 30 dwellings between them). Of those dwellings there is no concrete progress in respect of only 293 dwellings. These 293 comprise only approximately only 4% of the total amount of new housing provision made in that local plan. This means there is development progress on 96% of the new housing provision identified in that draft plan. These dwellings are either complete, are under construction, have been granted planning permission or are in receipt of a council resolution to permit subject to various conditions and agreements.
75. The current assessment of the capacity of the residual local plan allocations which are not counted elsewhere in the trajectory is **1,339** dwellings as identified in Table 10 of the Appendices. The majority of this supply is made up of two sites owned by Hampshire County Council; Uplands Farm, Winchester Street, Botley and West of Woodhouse Lane, Hedge End. In the previous version of this trajectory these two sites were identified as having a capacity of 1,100 dwellings (300 and 800 respectively). The County Council is working to deliver a new secondary school in the Hedge End area in the next 2-3 years and has commenced pre-application discussions with the borough council and the local community. A planning application (O/18/83634) was submitted in July 2018 proposing 605 dwellings on the site (the capacity being reduced largely because of the need to accommodate a new secondary school). It received a resolution to permit at the local area committee meeting on 28<sup>th</sup> January 2019. On Uplands Farm the capacity is increased from 300 to 375 dwellings. A planning application (O/18/83698) proposing 375 dwellings was submitted in August 2018 and also received a resolution to permit at the same January 2019 local area committee. Taken together the capacity of these two sites has been reduced by 120 dwellings over the 1,100

originally estimated. This reduced capacity is captured in this June 2019 trajectory update.

76. The other change to the original version of the trajectory under the 'allocations' heading is the removal of what was formerly 50 dwellings on the Policy HE2 site – Foord Road / Dodwell Lane, Hedge End. This is now counted as part of the development at Waylands Place / Peewit Hill Close, Hedge End in the commitment as planning permission has now been granted.
77. It is fair to acknowledge that there is considerably more uncertainty over the other sites in this component of supply. CF1 (The Precinct, Chandlers Ford) is a long-standing policy aspiration which dates back to plans prepared in the 1980s and 1990s. CF2 (Common Road Industrial Estate, Chandlers Ford) is more certain and is tied in to the development of the Draper Tools site referred to above as it is largely in the same ownership. E4 (Land at Toynbee Road, Eastleigh) has been mainly developed with only a site currently in use as a builders merchants and various vehicle sales and rental uses still to be developed. FO3 (Land at Scotland Close, Fair Oak) may not be developable in its entirety due to serious contamination concerns though a smaller part of the site is thought to be developable. HE3 (Shamblehurst Household Waste Recycling Centre, Hedge End) was anticipated to become available for housing development once the County Council relocated the existing Household Waste Recycling Centre (HWRC). However, subsequent reviews of HWRC provision by HCC mean this is now unlikely such that this site will not be redeveloped. In the long term, however, this site is within the urban edge and surrounded by residential development so the borough council's aspiration to seek the HWRC's relocation remains. But, at present, it is considered that this site may not come forward for housing.
78. Finally, in West End, site WE4 (Coach Depot, Moorgreen Road, West End) is another long-standing allocation. The existing use is not entirely compatible with its largely residential location. It would only come forward for housing if a suitable alternative site was found for the current occupiers. Site WE12 is currently subject to a pre-application enquiry.
79. Of the 1,339 dwellings, therefore, there is some doubt about the delivery of 293 dwellings on 5 sites described above (CF1 – 85 dwellings, the residue of E4 – 64 dwellings, FO3 – 54 dwellings, HE3 – 10 dwellings and WE4 – 80 dwellings). Rather than fully exclude these 293 dwellings (because it remains a long-term policy aspiration of the borough council to seek redevelopment of these sites) it is proposed to discount the allocations figure by 20% which equates to 268 dwellings which is broadly comparable to the capacity of these uncertain sites. On that basis it is considered a reasonable and robust approach and it leaves a discounted allocations figure of **1,071** dwellings.

e). Small Site Allowance

80. Paragraph 48 of the NPPF (2012) states that:

*“Local planning authorities may make an allowance for windfall sites in the five-year supply if they have compelling evidence that such sites have consistently become available in the local area and will continue to provide a reliable source of supply. Any allowance should be realistic having regard to the Strategic Housing Land Availability Assessment, historic windfall delivery rates and expected future trends, and should not include residential gardens.”*

81. The 2012 NPPF defined windfall sites in the glossary (Annexe 2) as:

*“Sites which have not been specifically identified as available in the Local Plan process. They normally comprise previously-developed sites that have unexpectedly become available.”*

82. In the 2019 version of the NPPF, paragraph 70 notes:

*“Where an allowance has been made for windfall sites as part of anticipated supply, there should be compelling evidence that they will provide a reliable source of supply. Any allowance should be realistic having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends. Plans should consider the case for setting out policies to resist inappropriate development of residential gardens, for example, where development would cause harm to the local area.”*

83. The 2019 NPPF defines windfalls as:

*“Sites not specifically identified in the development plan”*

84. Under the 2012 NPPF, if it is reasonable to make an allowance for windfall sites based on compelling evidence for the five year supply calculation it must logically be reasonable to make an allowance for the plan period if there is compelling evidence of past delivery. This seems to reflect the sentiment of the 2019 NPPF.

85. As noted in previous sections of this trajectory report, the County Council’s LAMS is a comprehensive database of past and future housing land supply. HCC has provided information on net small site completion rates in Eastleigh borough going back to the year 2001. This data was contained in Table 11 of the previous trajectory reports. In this update the council has decided to only include data back to 2011 (the start of the plan period) as this more accurately reflects the position around the inclusion of garden land. This is summarised in Table 11 of the Appendices to this report. It shows that small sites (of 9 or fewer dwellings) have made a fairly constant and continuous contribution to the delivery of housing in Eastleigh borough. As small sites they were never allocated in local plans and so have come forward outwith the local planning process. The current local plan will only allocate sites which are capable of accommodating 10 or more dwellings meaning that, if no allowance was made in the trajectory, it would significantly under-estimate the likely level of housing delivery over the plan period.

86. In the previous version of the trajectory, the data in Table 11 of the Appendices showed that 1,127 dwellings (net of losses) were delivered in the 15 year period 1<sup>st</sup> April 2001 to 31<sup>st</sup> March 2016. This equated to a net gain of 75 dwellings per year on average. Rolling this forward to two years to 2018 resulted in 1,270 dwellings which, over 17 years also equated to an average of 75 dwellings per year.
87. In 2012 the NPPF introduced the requirement that garden land should be excluded from windfall allowance calculations. HCC's LAMS did not previously record whether or not a development was on garden land until the NPPF introduced this requirement (it actually started monitoring this when the draft NPPF was published in 2011). For that reason there is only data on completions on garden land from 2011 onwards. Given the large number of small sites in LAMS (see the hundreds of sites listed in Table 11 of the Appendices for Eastleigh borough since 2011 alone) the County Council has, understandably, never sought to retrofit the NPPF's garden-land requirement to historic completions data going back to 2001.
88. What monitoring of completions on garden land has taken place since 2011 shows that a total of 116 net completions were thought to have been delivered on garden land. This equates to a figure of 17 dwellings per year on average over the 2011-2018 period. If this 17 dwellings per year average is deducted from the average total net small site completion rate of 75 dwellings per year (2001-2018), this leaves 58 dwellings per year which can reasonably be assumed to comply with the NPPF requirements based on the best evidence available.
89. The borough council is confident in this data and in the principle that small site development will continue to come forward in the borough. However, to err on the side of caution in view of the previous local plan Inspector's assessment of land supply in the draft 2011-29 local plan, the borough council proposed, in the previous trajectory, to apply a considerable discount to the past rates figure of 58 dwellings per year.
90. There can be no science behind this as uncertainty is, by definition, uncertain. A 10% discount would equate to an allowance of 53 dwellings per year. A 20% discount (as previously applied) would result in a small site windfall allowance of 46 dwellings per year or a total of 828 dwellings over the remaining 18 years of the plan period. This would equate to only 6% of the residual local plan requirement of 13,166 dwellings (at 1<sup>st</sup> April 2018) and so was considered a realistic, reasonable and proportionate approach. Not least since, at the base date of 1<sup>st</sup> April 2018 there were extant planning permissions for a total of 201 net dwelling completions (232 gross dwellings minus 31 losses) on small sites in the borough (see Table 12 in the Appendices to this trajectory). This means that around 4 years' worth of supply is already in place. It is also evident from Table 7 that the contribution of small site windfall development has increased more or less continually over the trajectory period from 2011 to 2018 as has the number of completions coming forward on garden sites.



91. However, the fact that a new version of the NPPF has been published creates some uncertainty about the most appropriate way to deal with small site windfall allowances going forward. This local plan is being considered against the 2012 NPPF as part of the 2019 NPPF transitional arrangements. However, it is clear from the extracts above that the context for the treatment and consideration of windfall sites has changed significantly between the two versions of the NPPF. In the 2012 NPPF it is firmly set in the context of five years supply of housing sites. In the 2019 NPPF it is set in the context of plan-making and meeting housing requirements. In the 2012 NPPF it is explicitly stated that garden land should be excluded from windfall allowances. In the 2019 NPPF there is no such direction.
92. This produces something of a dilemma. In the previous versions of the trajectory the small site windfall allowance was calculated from data on small site delivery going back to 2001 (as that was the date from which the information was available). It took into account data available on garden development (since 2011 when this became a requirement of the NPPF and HCC began monitoring garden development) and included a 20% discount against past rates which resulted in an allowance of 50 dwellings per year. The average annual completion rate was 75 dwellings per year (1,127 net completions / 15 years), less 13 per year gardens which equalled 62 dwellings per year. 62 minus 20% totalled 50 per year (rounded). Multiplied by the remaining 20 years of the plan period (2016-2036) resulted in a small site windfall allowance of 1,000 dwellings.
93. Rolling this forward two years to 2018 the average annual completion rate remains the same (1,270/17) at 75 per year. However, there were an average of 17 completions per year on gardens. Subtracting these equals 58 per year less 20% equals 46 per year. 46 per year multiplied by the remaining 18 years of the plan period results in a small site allowance of which equals becomes 828 dwellings.
94. However, a number of alternative approaches are possible in view of:
- the change in context set by the new NPPF
  - whether or not gardens are excluded
  - whether or not a 20% discount is applied on top of the discounting of garden land
  - whether an alternative discount is applied e.g. 10%
  - whether monitoring looks back to 2001 or just to 2011
95. These alternative approaches are summarised at Table 23 of the Appendices and range from an allowance of 1,350 (75pa) under the most optimistic assessment to 558 (31pa) under the most pessimistic. In view of the changed circumstances described above, the council proposes to make an allowance for 702 dwellings (39pa) over the remainder of the plan period. This is less than previous allowances of 50pa. This is based on 2012-NPPF compliant approach which uses completions 2011-2018 (56pa) and excludes garden land (17pa) but applies no further discounting. It applies no further discounting because, in view of the generally increasing rate of completions over the

2011-2018 period (and also the generally increasing rate of garden development) to apply a further discount would not reflect the full extent of small site development likely to come forward during the remainder of the plan period. And, going forward, there is no explicit requirement in the 2019 NPPF to exclude garden land.

f). Windfall Allowance

96. There is no restriction stipulated in either the 2012 or 2019 NPPF on the size of site which can be classed as a windfall. The defining characteristic of a windfall site is that it is a site which has not been allocated or identified through the local plan process. The HCC LAMS identifies sites which were allocated through local plans as well as those which arise outwith the local plan process. This makes it possible to investigate the extent to which large windfall sites (of 10 or more dwellings as opposed to small sites of 9 or fewer dwellings dealt with in the small site allowance above) have contributed to land supply in the past.
97. Data has been provided by HCC from LAMS covering large windfall sites which have delivered completions in the period 1<sup>st</sup> April 2010 to 31<sup>st</sup> March 2016. The relevant extract from LAMS was summarised at Table 13 of the Appendices to the previous trajectory. In line with the approach to small site windfalls, the council has updated this data to 2018 and also deleted the first years' worth of data (2010 to 2011) so that the data in this updated version of Table 13 is based on the plan period since 2011. It is worth stressing that Table 13 deals with net completions; not simply sites which have been granted planning permission.
98. It may be argued by some that there would have been an unusually high level of large windfall development in recent years in Eastleigh given that the previous 2011-2029 local plan was found unsound and because of the introduction of the 5-year supply requirement in the NPPF in 2012. However, the borough council would argue that this is not the case for a number of reasons.
99. Firstly, looking at the data in Table 13 there is no discernible trend in large net windfall completions which would point to a NPPF/5-year supply effect. Secondly, even though the draft 2011-29 local plan was found unsound, it was not formally withdrawn and, as noted above, the vast majority of the sites allocated in that local plan have, in any event, come forward for development. The sites listed in Table 13 did not include any site allocated in the non-statutory draft 2011-29 local plan. [NB – they are included in the updated Table 13 and are highlighted yellow. This is because HCC monitoring records these completions as windfalls. However, these sites are not counted in this trajectory.] Thirdly, if there was an NPPF/5-year supply effect there is no reason to think that that effect will not continue for the remainder of the plan period. Finally, and in any event, the borough council is proposing a significant discounting of the past windfall rate as discussed below.

100. The borough council is comfortable, therefore, both that the NPPF permits a large site windfall allowance to be included in the housing trajectory and that there is compelling evidence that such development has made an important contribution to land supply in the borough in the past.
101. The data in Table 13 shows that, excluding sites identified in the failed 2011-2029 local plan (highlighted in yellow), there were a total of 813 net completions on large windfall sites in the borough in the 7 year period 1<sup>st</sup> April 2011 to 31<sup>st</sup> March 2018. Excluding 7 completions on a garden site reduces this to 806 dwellings which equates to an annual average of 115 dwellings per year.
102. The NPPF requires that local planning authorities submit to Government what they consider to be a “sound” local plan. One of the requirements of a sound local plan, as clarified in the National Planning Practice Guidance (NPPG), is that the plan is able to demonstrate a 5-year supply of housing land which accords with the definitions given at paragraph 47 of the NPPF (2012) and at footnotes 11 & 12.
103. If it is assumed that the current local plan is able to demonstrate a 5-year supply of housing land (and this is covered in a separate background paper) it is logical to assume that the potential for windfall sites to come forward in the first five years of the plan period (in this case, the residual plan period 2018-2023) is limited. In demonstrating it has a 5-year supply of housing land the borough council and the local plan should have identified those sites which will contribute to housing delivery in that five year period. For that reason, the borough council is not proposing to include a large site windfall allowance for this first five years of the residual plan period (2018-2023).
104. Indeed, in order to err on the side of caution, the borough council does not propose to include a large site windfall allowance for the second five year period (2023-2028). Rather, it is only proposed to include an allowance for the final eight years of the plan period (2028-2036).
105. In addition, instead of allowing for 8 years of development at the average past net completion rate of 115 dwellings per year, it is proposed to discount this by 10% (admittedly an arbitrary figure) to reflect future uncertainties and unknowns. This results in annual average figure of **104 dwellings per year** and in an overall allowance of **832** dwellings over the remaining 8 years of the plan period.
106. It is clear from the [Strategic Land Availability Assessment \(SLAA\)](#) that there are plenty of sites which have been put forward by developers, land owners and site promoters as candidates for residential development, which are not accounted for elsewhere in this trajectory in one form or another, which might be capable of delivering 832 dwellings many times over by 2036. The windfall allowance of 832 dwellings, therefore, is considered to be justified, realistic and fair.

#### g). Strategic Growth Option

107. A key feature of the local plan is the proposal for a Strategic Growth Option (SGO). The council's preferred option for that SGO is on land north of Bishopstoke and north and east of Fair Oak. This SGO is thought capable of accommodating approximately 5,300 dwellings. However, given the lead-in times for such large scale development and the need for the upfront provision of significant elements of new infrastructure (mainly a new link road), the Council considers that there is little likelihood of the full 5,300 dwellings being completed within the plan period.
108. The borough council has produced a separate background paper which discusses the factors which might influence the delivery of the SGO. That paper concludes that, weighing all the factors in the balance, a figure of **3,350** is a reasonable estimate of the SGO's contribution to the overall supply of housing land within the plan period. This includes 250 dwellings identified (but not counted) in the 'commitment' category at Pembers Hill Farm and then an annual rate of delivery of 258 dwellings per year for the last 12 years of the plan period (2024 to 2036)

#### h). New Allocations

109. Taking all of the above components of housing land supply and all of the above factors into account it is considered that there remains a shortfall against the residual EBLP housing target of 13,166 dwellings of **-422** dwellings (see Table 1 of the Appendices). This is the number of dwellings which needs to be provided in the form of new allocations in the plan.
110. The EBLP actually identifies and allocates new sites capable of accommodating 824 dwellings which are not identified anywhere else in the housing trajectory. The 21 sites allocated to make up this shortfall are listed in Tables 14 and 15 of the Appendices. The process of how these new greenfield site allocations were selected is explained in a number of separate EBLP background papers (see Examination Documents HOU011a & 011b and HOU012a & 012b). Table 14 lists the new greenfield allocations and Table 15 the sites lying within the urban edge identified in the SLAA which are proposed to be allocated in the local plan. Table 16 shows a projected phasing for the delivery of these sites. This is also captured in updated versions of the two summary trajectories (Tables 2a and 2b) including the new allocations summarised in Tables 17 (undiscounted – alternative version of Table 2a) and 18 (discounted – alternative version of Table 2b).
111. Allocating sites capable of accommodating 824 dwellings against a local plan shortfall of -422 dwellings would result in an overall plan surplus of 402 dwellings. However, to continue the theme of 'caution' adopted throughout this trajectory, it is considered sensible to factor in the possibility that some of the newly allocated sites might not, despite the borough council's best intentions and based on the best information available at the time the plan is submitted, actually be delivered. This scenario could well arise if the experience of the draft 2011-29 local plan is anything to go by. It can be seen

from section d) of this paper that not every allocated site was delivered as anticipated. While the Council has full confidence that the majority of the previous allocations will be delivered in the next 18 years, there might be some sites which simply do not come forward.

112. Accordingly, it is proposed to discount the new allocations figure of 824 dwellings by 10% (so reducing the contribution to supply from new allocations from 824 to 742 dwellings). Again, it is acknowledged that 10% is an arbitrary figure. But is considered a fair and reasonable allowance in the circumstances and is in accordance with the principle of caution which underpins this trajectory.
113. The effect of this contribution of **742** dwellings to overall supply is to turn a shortfall of **-422** dwellings into a surplus of **+319** which equates to a surplus of 2.4% against the residual requirement (see Table 1 of the Appendices).

### Discounts

114. Whilst it has already been touched on a number of times in this report it is considered worth commenting further on the approach taken to discounting. As noted in paragraphs 13 and 14, if there was no discounting applied to the various components of supply the council would be able to demonstrate a surplus against the residual housing requirement without needing to allocate any new greenfield sites for development. The size of that surplus reflects which categories of supply were discounted (or not discounted) and the extent of any discount. Whilst there can be little science behind the precise discounts selected there is a degree of evidence under-pinning them – particularly for the identified sites. The principle under-pinning the approach is one of logic and reflects the relative degree of uncertainty surrounding the different components of supply. The greater the degree of uncertainty, the greater the discount.
115. The least uncertainty surrounds the commitment figure. Here, an applicant has worked up a comprehensive proposal for a site supported by a robust (and often extensive) suite of evidence produced at considerable expense which has been subject to public consultation and deliberated over by a local planning authority. Often this is decided in public through a planning committee and sometimes by a planning inspector at appeal. It is a very exceptional circumstance which sees someone commit to the time and expense of going through this process of securing planning permission and then not implement it. There may be uncertainty over the precise timing of implementation but the vast majority of planning applications are implemented as permitted at some point. So there is considerable confidence around the fact a permitted site is likely to be delivered and the number of dwellings it will deliver. A modest 5% discount is applied to the commitment to reflect that exceptional circumstance. Even though 5% is a modest discount, given the scale of the commitment (7,127 dwellings) this equates to a sizeable reduction on supply (356 dwellings – see Table 1).

116. By the same logic, a site which only has a resolution to permit rather than an implementable planning permission has still been through that costly and extensive planning application process. While the decision-maker may accept the principle of development on a site there may be some issues which still need to be resolved before planning permission can be issued. This creates greater uncertainty over timing of a scheme's implementation and the resolution of outstanding matters may impact on the nature, scale or extent of the final scheme. It may also be that, despite the principle of development being accepted, it simply proves impossible to overcome detailed site specific issues meaning there is slightly less guarantee of delivery. So, in terms of an underlying methodology to discounting, it would be sensible to apply a greater discount to the 'resolution' category of supply than to the 'commitment'.
117. That said, as evident in the differences between this revised trajectory and the previous versions, all of the sites previously subject to a resolution to permit have subsequently obtained planning permission. This might suggest it is reasonable to apply a comparable discount to resolutions than to the commitment. But that approach is not adopted here. As a 5% discount is applied to the commitment, a larger discount of 10% is applied to resolutions.
118. Following the same logic, a long-standing allocation which has not yet been implemented despite the passage of time is even less certain than either a resolution or a commitment. So this should attract a greater discount than either the commitment or resolutions; hence a discount of 20% being applied to the former allocations. 15% may have been reasonable, but in order to provide the necessary flexibility to be able to guarantee delivery of the housing requirement, 20% is applied in this trajectory. And in this case the size of the discount is derived from evidence about known uncertainties surrounding specific sites which fall under this heading (see section d – para 79 above).
119. The same is not true of newly allocated sites as these have not yet actually been allocated; rather they are proposed for allocation in a draft local plan which has yet to be scrutinised or tested. However, the new greenfield allocations were all derived from sites put forward by landowners and developers through the SLAA process. That process required that those submitting sites for consideration to give an indication of the likely deliverability and timescale for delivery of their sites and to identify potential constraints which might affect or delay their implementation. On that basis there is no logical reason they should be discounted to the same extent as long-standing unimplemented allocations. Some may argue there is no need to discount them at all. But as stated at the outset the council has taken the view that this local plan must not suffer the same fate as the previous 2011-2029 local plan and this means building in more flexibility to the trajectory than was previously the case.
120. Finally turning to the small and large site windfall allowances, while the evidence shows that these sites tend to come forward at a fairly steady rate over time, given the particular circumstance of Eastleigh's previous local plan being found unsound and the council not being able to demonstrate 5-years of

housing supply for a number of years, it is considered sensible to adopt a cautious approach. This may be countered by the fact that the council is now able to demonstrate 5-years of supply and with the positive and proactive context set by the new local plan. But, again, in order to be as certain as it is possible to be of securing a sound local plan, a degree of discounting is considered appropriate.

121. That is the approach adopted in this trajectory. There may be debate and disagreement over the precise level of discount to be applied to a particular component of supply (or even whether it is needed at all – see below). But the general principle is considered to be logical, reasonable and, as far as it is possible, is founded on evidence of past housing delivery in Eastleigh borough.
122. It should be noted that the discounting applied here is not something specifically advocated in the NPPF or NPPG albeit that the NPPF does recommend the use of 5% and 20% buffers for the purposes of five-year land supply calculations in order to provide a realistic prospect of achieving planned supply and to ensure choice and variety in the housing market. It also requires authorities to identify a deliverable and developable supply of sites for growth (paragraph 47). Both terms are defined in footnotes 11 & 12 of the NPPF (2012).
123. At an informal PINS visit on the 25<sup>th</sup> April 2018 it was suggested that the council should remove all discounts from the land supply calculation as they are not required by Government policy. Having given the matter much consideration, the council has decided not to remove discounts at this stage for a number of reasons.
124. Firstly, the council considers that there is good reason for a cautious approach to be taken at this stage in view of the failure of the previous draft local plan on housing land supply grounds.
125. Secondly is the need for a balanced portfolio of housing sites required in the plan to provide choice and variety in the housing market and the flexibility to respond to changing circumstances (see paragraph 16).
126. Thirdly, in 16<sup>th</sup> November 2017 the Secretary of State for Communities & Local Government (as was) identified Eastleigh Borough Council as one of 15 authorities about whom Government was concerned might fail to meet previously advertised plan timetables.
127. The letter threatened that Government would consider intervention if the council was unable to demonstrate significant progress on plan-making in the near future. The council was given until 31<sup>st</sup> January 2018 to respond. On the 23<sup>rd</sup> March the Minister for Housing, Communities & Local Government wrote again to the borough council noting its 31<sup>st</sup> January response and the progress made on the local plan in the intervening period. The Minister advised that he would not be intervening in the preparation of the EBLP at this stage but that he would be carefully monitoring progress against the published

timetable in the [Local Development Scheme](#) (LDS). Accordingly, it was absolutely imperative that the council stuck to its LDS timetable which committed to publication of a draft local plan in June 2018 and submission by the end of October.

128. On the 11<sup>th</sup> December 2017 a [report](#) to the council's Cabinet and Council committed to the above LDS and also to the publication of a draft plan for public consultation (and subsequently, submission to Government). An [emerging draft local plan document](#) formed one of the appendices to that report.
129. The main element of the recommendation of that report was:  
*"It is recommended that Cabinet recommends to Council:*  
1. (1) *To approve in principle (subject to the caveats hereafter set out in (a) and (b) below) the 'pre-submission' Local Plan and update to the policies map (Appendices 1 and 2) and gives delegated authority to the Chief Executive in consultation with the Leader of the Council to:*  
*(a) finalise the wording and content of the Eastleigh Borough Local Plan 2016 - 2036 (including updating the maps in Appendix 2), following the completion of technical studies (subject to the results of these not significantly changing the content of the Eastleigh Borough Local Plan);*  
*(b) to complete and update the evidence base prior to submission provided this does not lead to a significantly different approach needing to be taken in the Local Plan;*  
*(c) upon completion of (a) undertake a Regulation 19 consultation on the final Eastleigh Borough Local Plan (2016 - 2036); and*  
*(d) following (a), (b) and (c) above, submit the final Eastleigh Borough Local Plan (2016 – 2036) to the Secretary of State in accordance with Regulation 20."* (emphasis added)
130. The key commitments are those in a) and b) (underlined) which refer to their being no significant changes to the approach or content of the appended draft plan document. If any of the technical studies were still underway at the time of the report did create a need for a 'significant' change of approach or content this would have to be reported to Cabinet in order to seek their authorisation for the change. This would clearly compromise the council's ability to meet its published LDS timetable; something the council could ill-afford in the circumstances described above.
131. The council has considered the effect and implications of removing the discounts as described below. It is shown in Table 1 of the Appendices in the 'undiscounted column'. As proposed above there is already over 1,000 dwellings worth of discounting built into the housing trajectory (1,028) based on the application of percentage discounts to the identified components of supply, the discounting of windfall allowances and the application of a large site windfall allowance for only half of the remaining plan period. In the wider



context of the Southampton HMA this undiscounted surplus equates to a considerable proportion (43.4%) of the 2,369 dwelling shortfall in the HMA.

132. Further to this, Table 19 in the Appendices shows the additional effect of removing the discounts from the small and large site windfall allowances (30% gardens in respect of small sites and 10% in respect of large sites). This increases the undiscounted surplus to 1,430 dwellings or 10.9% of the residual requirement (of 13,166 dwellings).
133. Further to this, Table 20 of the Appendices shows the effect of removing all discounts and also including a large site windfall allowance for 13 of the 18 remaining years of the plan period rather than 8 years as in the other summaries. This results in an undiscounted surplus of 2,010 dwellings or 15.3% of the residual requirement. It is also worth pointing out if this most optimistic, undiscounted approach to assessing supply was adopted, it would mean Eastleigh on its own would be able to meet 84.8% of the unmet need on the Southampton HMA (2,369 dwellings).
134. The council is not relying on such a position in support of the local plan. However, it illustrates the cautious approach taken in preparing the local plan to ensure it makes adequate provision for housing and does not suffer the same fate as the previous draft local plan and is sufficiently flexible both to deal with unforeseen circumstances and from a plan strategy perspective (as addressed at paragraph 16).
135. Accordingly the council considers the extent of the change in approach and content of the plan by removing the discounts as advised by PINS to be 'significant' in the context of the delegated authority handed down by the 11<sup>th</sup> December Cabinet and Council decisions. In view of the implications of a 'significant' change arising as described above, the council has decided not to remove the discounts from the land supply calculation and housing trajectory at this stage.
136. If, during the course of examining the local plan, the Inspector considers that the discounts are not necessary or appropriate, the fact that they exist provides a considerable buffer to help meet the shortfall in housing need across the Southampton HMA or to remedy any other deficiency in approach which the Inspector may identify without needing to recommend the allocation of additional greenfield sites in this local plan.

#### National Planning Policy Framework – 15 year time frame

137. Paragraph 157 of the 2012 NPPF (the equivalent is para 22 of the 2019 NPPF) requires that local plans should:  
*“... Be drawn up over an appropriate time scale, preferably a 15-year time horizon, take account of longer term requirements and be kept up to date.”*
138. With an anticipated adoption date of early 2020 this means that the plan should cover at least the 15-year period 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2035. For

that reason it is considered helpful to set out the housing supply situation at 2035, 15 years from the date of adoption in 2020.

139. Looking first at the housing requirement at 31<sup>st</sup> March 2035, this would comprise the 2018 to 2036 residual local plan target of 13,166 dwellings minus 1 year of completions (2035/6) at 731 dwellings per year and minus anticipated completions in 2018-2019 (1,199) and 2019/20 (1,092) (Table 18). This gives a requirement to be met 1<sup>st</sup> April 2020 to 31<sup>st</sup> March 2035 of **10,144** dwellings.
140. Turning to supply, the discounted housing trajectory by year (Table 18 in the Appendices to this report) shows that, in the period 1<sup>st</sup> April 2011 to 31<sup>st</sup> March 2035 the council expects to see the delivery of 16,145 net completions (16,570 – 425). Excluding those delivered in the period 2011-2020 (5,375 dwellings) results in a 2020 – 2035 supply of **10,770**. This demonstrates that, at 31<sup>st</sup> March 2035, 15 years from the anticipated date of adoption of the local plan in early 2020, the council is able to meet and exceed the pro rata 15-year target by **+626** dwellings (10,770 – 10,144 = 626).

## Conclusion

141. This revised trajectory report sets out in detail how the council expects the local plan housing target to be met. The target is sufficient to more than meet Eastleigh borough's objectively assessed housing need. It shows that, on the basis of the council's preferred approach, which is a cautious approach, the council can exceed the local plan housing requirement by **319** dwellings (**2.4%**). On the basis of the most optimistic, undiscounted assessment of supply (which is not the council's preferred approach) it can exceed the requirement by **2,010** dwellings (**15.3%**). The council considers a cautious approach is necessary and appropriate in view of the circumstances pertaining to the preparation of this local plan (and the failure of the previous plan). The council is confident that its approach, set out in detail in this trajectory report and its appendices, is founded on robust and credible evidence and complies with the requirements of Government planning policy and guidance.

# APPENDICES:

PUSH JC Report 4<sup>th</sup> December 2018 (below)

*Published separately;*

Table 1	<i>Trajectory Summary</i>
Table 2a	<i>Undiscounted trajectory summary by year and component of supply excluding new EBLP allocations</i>
Table 2b	<i>Discounted trajectory summary by year and component of supply excluding new EBLP allocations</i>
Table 3	<i>Total net housing completions 1<sup>st</sup> April 2011 to 31<sup>st</sup> March 2016</i>
Table 4	<i>Total net housing completions 1<sup>st</sup> April 1991 to 31<sup>st</sup> March 2011</i>
Table 5	<i>Planning permissions granted 1<sup>st</sup> April 2011 to 31<sup>st</sup> March 2016</i>
Table 6	<i>Large site housing completions 1<sup>st</sup> April 2011 to 31<sup>st</sup> March 2016</i>
Table 7	<i>Small site housing completions (summary) 1<sup>st</sup> April 2011 to 31<sup>st</sup> March 2016</i>
Table 8	<i>Large site housing commitment (permissions) at 1<sup>st</sup> April 2016 and granted subsequently phased by year with commentary</i>
Table 9	<i>Resolutions to grant planning permission on large sites at 1<sup>st</sup> April 2016 and issued subsequently, phased by year with commentary</i>
Table 10	<i>Carried forward large site allocations from the 2011-2029 local plan which are not counted elsewhere in the trajectory, phased by year with commentary</i>
Table 11	<i>Small site housing completions 1<sup>st</sup> April 2001 to 31<sup>st</sup> March 2016 by site and year, gross, losses and net</i>
Table 12	<i>Small site housing commitment at 1<sup>st</sup> April 2016, gross, losses and net</i>
Table 13	<i>Large site windfall completions 1<sup>st</sup> April 2010 to 31<sup>st</sup> March 2016</i>
Table 14	<i>New greenfield allocations identified in the EBLP not counted elsewhere in the trajectory</i>
Table 15	<i>New urban allocations identified in the EBLP not counted elsewhere in the trajectory</i>
Table 16	<i>Phasing of new EBLP allocations by year</i>
Table 17	<i>As Table 2a but including new EBLP allocations – undiscounted summary trajectory by component of supply and by year</i>
Table 18	<i>As Table 2b but including new EBLP allocations – discounted summary trajectory by component of supply and by year</i>
Table 19	<i>Summary trajectory (as Table 1) showing effect of removing discounts to the small and large site windfall allowances</i>
Table 20	<i>Summary trajectory (as Table 1) showing effect of removing discounts to the small and large site windfall allowances (as Table 19) and counting a windfall allowance for 15 years rather than 10 years</i>
Table 21	<i>Undiscounted cumulative summary trajectory by year showing housing delivery with and without the SGO</i>
Table 22	<i>Discounted cumulative summary trajectory by year showing housing delivery with and without the SGO</i>
Table 23	<i>Alternative small site windfall allowance scenarios</i>

# Report to the Partnership for Urban South Hampshire Joint Committee

Date: **04 December 2018**

Report of: **Claire Upton-Brown Assistant Director City Development**

Subject: **IMPLICATIONS OF THE REVISED NPPF FOR PUSH POSITION STATEMENT.**

## RECOMMENDATION

The RECOMMENDED that the Joint Committee: -

- a) AUTHORISES the use of unallocated balances to enable the commencement of the necessary work; and
- b) Brings forward to the next PUSH Joint Committee the budget report proposals that would enable sufficient additional funding through re-allocation and/or subscription to meet the cost of the additional work that will be necessary.

## INTRODUCTION

1. At the PUSH Joint Committee meeting of 15th October 2018 it was agreed that the PUSH authorities should work together under the Duty to Co-operate, to seek to produce a Statement of Common Ground. This would need to include looking at the potential for a Green Belt in the South Hampshire. It also gave authority to explore the production of an Infrastructure Investment Plan with a report to come back to the Joint Committee to give an overview of the scope of the work needed, budget, and suggested governance arrangements. Whilst authorities are at different stages of Plan preparation all current PUSH authorities will derive benefit from this work.
2. This report sets out further details on what needs to be done to inform a Statement of Common Ground and Infrastructure Investment Plan and the resource implications for PUSH together with scope of work required for the both pieces of work with the Statement of Common Ground informing the infrastructure Investment Plan.

## BACKGROUND

3. Whilst there is still a lack of guidance for MHCLG on the template for the Statement of Common Ground the following matters will need to be considered to inform the work: -The rationale behind the geographical area covered -Clarification of the strategic issues for the area to be covered by the Statement -Alignment with the Industrial Strategy
4. New strategic developments for;
  - Housing with LPAs agreeing housing need figure and buffer and agree the distribution - this work will involve understanding options for meeting unmet need then assess impact to evidence whether they are deliverable options.
  - Employment - revisit the work already done and reassess need and distribution, this work will also include some areas not included in the previous work such as looking at Logistics needs.

-Retail/leisure/other commercial development- looks at the existing retail hierarchy and consider whether this is still correct or whether this opens up other options.

5. The Infrastructure work will need to consider:

- Transport and associated work on Sub Regional Transport Model (SRTM)- understand whether the network can support the level of growth, what further transport infrastructure needed to support sustainable growth
- Telecommunications
- Utilities -waste/water/water quality
- Flood risk - update to Strategic flood risk model
- Coastal change management
- Energy
- Community facilities (health, social care, education, culture)
- Green infrastructure - net ecological gain
- Air quality
- Community resilience

6. Evidence on the infrastructure needed to support growth may demonstrate that the level of growth is not deliverable.

7. To achieve appropriate governance and ensure delivery it is suggested that there is a MoU between authorities setting out how co-operation will be managed and the ways agreement will be reached or differences resolved.

8. The PUSH authorities now need to agree a work programme and a consistent approach to conducting Strategic Housing and Economic Land Availability Assessment (SHELAA) with a timetable for each authority completing this work to inform the distribution of development and the amount of unmet need to enable options to be identified and tested. Given the NPPF suggests undertaking a study which looks at Urban Living Capacity of Retail-Residential New build and conversions, there may well be an agreement that this is also done quickly to further inform housing distribution.

9. There remains uncertainty over housing numbers. A further consultation that runs until 7 December 2018 about how the government propose to alter the standard method for assessing local housing need to ensure that it is consistent with increasing the supply of homes. Within the consultation it has been confirmed that recent household projections, published by the Office of National Statistic (ONS) has led some areas to reconsider the number of homes they were planning. However the Office for National Statistics (ONS), has confirmed lower household projections do not mean fewer homes need to be built. Work therefore needs to proceed on the bases that this will be the outcome of the consultation.

10. Whilst a considerable evidence base was produced to support the PUSH Position Statement this work needs to be reviewed and further work commissioned quickly. The timetable for doing this work needs to stretch over months rather than years.

## **Resources**

11. Given the volume of work that is required for the Statement of Common Ground and the Infrastructure Investment Plan, there is a need for a dedicated Project coordinator supported by a

Project Manager to ensure that work is progressed within agreed timescales. These staff will need to have a significant knowledge of the subject area and be able to commission further technical work. Ideally PUSH would look to for authorities to explore secondment opportunities.

12. Whilst there has been a PUSH subscription holiday for the last two years, with activity funded through the use of unallocated balances, this was always done on the basis that there could be a need to resource future significant work. Subject to the outcomes of the NPPF and central government's approval to housing numbers we now know that this work is required. This means that all authorities will need to commit financial and staffing resource at a senior level and prioritise this work to ensure that it progresses at speed. It is estimated at this stage that there needs to be a budget stretching over 2 years for this work. The first year (2019-20) will be when the bulk of the work will be undertaken and it is estimated that this will need a budget in the region of £250,000, significantly reducing in the second year to below £100,000. Whilst this is only an estimate, similar work carried out in other areas has needed significant resource to ensure that the work is completed within a short time period.

13. In order to meet such a budget requirement it is estimated that PUSH Councils would need to prepare to contribute the similar amount as the previous annual subscription in the first year reducing to a half subscription in the second year. A paper on this will be brought to the next Joint Committee Meeting for decision by which time more accurate costs will be available.

### **Governance**

14. Given the need to maintain momentum there needs to be a regular reporting mechanism. It is recommended that the Chairman of the PUSH Planning Officers' Group together with the PUSH Co-ordinator meet and report monthly to the lead Chief Executive for Planning and Infrastructure. The lead Chief Executive will provide an update report to Joint Committee every 3 months, or more frequently if there is a need for the PUSH Joint Committee to make a key decision.

### **CONCLUSION**

15. There is considerable overlap with this work and the discussion relating to Housing Growth Deal(s). All the work required to inform the Statement of Common Ground and Infrastructure investment plan would be needed to inform any Housing Growth Deal(s) going forward, a Housing Growth Deal(s) could not progress without this evidence and understanding. As my earlier report advised there is an urgent need for all PUSH authorities to seek to achieve an up to date position on Duty to Co-operate and a Statement of Common Ground. This work will inform any future work on any Housing Deal(s).

### **RECOMMENDATION**

The RECOMMENDED that the Joint Committee:

- a) AUTHORISES the use of unallocated balances to enable the commencement of the necessary work; and
- b) Brings forward to the next PUSH Joint Committee the budget report proposals that would enable sufficient additional funding through re-allocation and/or subscription to meet the cost of the additional work that will be necessary.

[www.eastleigh.gov.uk/localplan2016-2036](http://www.eastleigh.gov.uk/localplan2016-2036)

