

HAVANT BOROUGH COUNCIL



SUBMISSION CORE STRATEGY

**PUBLIC EXAMINATION
HEARING SESSION 4
14 SEPTEMBER 2010 pm**

STATEMENT 4

General Housing Policy

Core Strategy Justification

General Housing Policy

Question 11

Will the right amount of housing be provided in appropriate sustainable locations?

Amount of housing

1. Policy CS9 requires 6,300 net new homes to be provided between 2006 and 2026 to meet the housing needs of Havant Borough. This amount has been identified following a review of the borough's housing need in Hampshire Home Choice Annual Review 2009/2010 [SD09/13A] and the Partnership for Urban South Hampshire Housing Market Assessment (PUSH SHMA) [SD01/06]. The need is calculated from analysis of historic building figures, changes in population and the number of people on the housing register. The Strategic Housing Land Availability Assessment (SHLAA) [SD09/13] demonstrates that the borough has sufficient sites to meet this need.

Sustainable, appropriate locations

2. The Borough of Havant is a compact area with a largely urban character. It has a high level of accessibility throughout the borough due to the M27/A3(M) links and train lines which run north-south and east-west across the borough.
3. The Havant Borough Core Strategy (HBCS) Policy CS9 confirms that housing development will be dispersed through the five areas of the borough resulting in readily accessible, sustainable developments. The location of these sites has been identified in the SHLAA. Strategic sites, accounting for 960 units, are identified in Policy CS15 in line with paragraph 53 of PPS3.
4. The SHLAA has assessed sites on their suitability for housing. Sites identified as appropriate for housing have access to community facilities, jobs and services in line with paragraphs 10, 36 and 38 of PPS3. This assessment eliminated sites where constraints rendered development unsuitable. The reasons for excluding sites are set out in table 5 in the SHLAA.
5. The Development Delivery (Allocations) Plan (DDAP) will have a phasing policy ensuring a realistic delivery timetable is achieved whilst not stifling the ability of deliverable sites coming forward. This policy, together with the sustainability appraisal of the sites will ensure that more sustainable sites are prioritised and less sustainable greenfield sites are not unnecessarily developed.

Question 12

Is the housing trajectory realistic; can it be delivered?

Will the HBCS provide a five and ten year housing supply?

Are the density figures realistic?

6. The council's housing trajectory is based on the total past completions as monitored in the Annual Monitoring Report (AMR) and the total projected completions up to 2026 from the SHLAA.
7. The past completions show that during a normal economic climate the borough can meet, and exceed their annual target. 1,612 units have been completed between 2001 and 2008, 147 units more than the target for that period. Between April 2006 – March 2010 1,023 of these units were completed which is 237 units below the target for this period. This is a result of the recession which effected the number completions with only 145 out of 315 being completed in 2009/10. Whilst the recession is a national issue, it is considered that the borough's favorable location should ensure that the housing market will recover once the current recession is over and will deliver the remaining 5,277 units required between 2010–2026.
8. There are currently 274 sites with planning permission for 1,282 units. If all of these sites are completed this will achieve four years of our annual supply requirement.
9. In line with PPS 3 paragraphs 53, 54 and 55, the SHLAA identifies broad locations and sufficient specific deliverable sites of five units or more, for the first five years of the plan and enough developable sites for years 6–10 and years 11-15 from the date of adoption to ensure that the borough's housing requirement can be met. As indicated above it also includes information about key constraints identified for each of the sites, how these constraints could overcome and an overall risk assessment of whether the site will come forward as anticipated. As shown in table 6, the projected supply of housing between 2006–2026 is 6,974 units and between 2009 to 2026 is 6,096.
10. The SHLAA does not take into account windfall sites. Analysis of small windfall sites over the last 19 years, and applying a discount rate, it has been identified that an additional 37 units per annum could come forward in addition to the sites identified in the SHLAA. This is likely to provide some flexibility to achieving the target.
11. The HBCS is not an allocations plan. The DDAP will detail those sites to be allocated for development. Several representations have been received relating to non strategic sites. These sites and their issues will be addressed in the DDAP.
12. The SHLAA will be monitored through the AMR to ensure that sites are coming forward at the appropriate time with the correct density.

Housing trajectory and density

13. The SHLAA has used a range of indicative densities to calculate the potential residential capacity of the sites. These densities are based on the HBDWLP [SD08/07a] and have been developed using the Havant Borough Townscape, Landscape and Seascape Character Assessment [SD09/18] and the levels of accessibility and advice in the PUSH SHHMA. Paragraphs 4.37 to 4.42 and tables 6 and 7 of the SHLAA specify the criteria that formed the density estimates. As a result of this flexible approach to density it is considered the delivery of housing numbers is not reliant on higher density developments or on a minimum 30 units per hectare.

Policy CS9 and paragraph 6.22 are not prescriptive and require development to take into account the context of the area and an individual planning proposal. They should be used as an indicative guide for development. This is in line with the revised PPS3 paragraphs 46 – 47.

14. The reason for the indicative minimum density requirement, and the indicative range of densities expressed in the supporting text and in the SHLAA is to encourage higher density land uses and/or mixed land uses in areas appropriate to their context with increasing densities close to areas with high level of accessibility in line with paragraph 46 of PPS3.
15. In order to ensure compatibility with PPS3 it is proposed to remove the reference to the minimum 30 dwelling per hectare criteria in paragraph 6.20. (See Schedule of Changes)

Housing trajectory and design

Policy CS14 promotes high quality design. This policy aims to provide better design and aims to achieve a high quality built environment and should not reduce the number of housing sites or the capacity of the sites coming forward. Paragraphs 12 to 19 of PPS3 refer to good design and achieving high quality new housing and advise LPAs to develop design policies that set out the quality of development that will be developed in the local area. This will be in the Borough Design Guide SPD.

Question 13

Is the target for 60% of housing on previously developed land (PDL) appropriate; can it be met?

16. The council acknowledges that it is unlikely that the PPS3 paragraph 41 national annual target will be met. This is due to the lack of availability of PDL in the borough, largely because over the last few years 100% PDL had been achieved. The available housing sites identified in the 2009 SHLAA show that across the plan period (2006-2026) approximately 51% of development is likely to occur on previously developed land. If all identified sites in the SHLAA are to come forward, the amount of development on previously developed land will drop to 42%. It will therefore be necessary to release greenfield sites in order to meet the borough's challenging housing target of 6,300.
17. Development will be in a phased, sequential manner to ensure that greenfield sites are not unnecessarily released. This will allow the council to hold back less sustainable greenfield sites should urban delivery significantly exceed expectations. This is in line with the advice provided at paragraph 37 in PPS3 and PPS1.
18. The densities proposed in the HBCS ensure that all sites are developed efficiently within the context of the surroundings. It should be noted that windfall sites, which are not included in the initial 10 year period, could be greater than anticipated and this may improve the PDL percentage.

Question 14

Is the discount rate realistic?

19. The council considers the discount rate to be realistic. A 30% discount rate has been used for average net annual gains on unidentified small sites (1-4 dwellings); calculated following an assessment of historic housing completions in the borough from 1996-2007. It also takes into account that some sites would fall within flood zones 2 and 3 and may be unsuitable for development. This is set out in detail in paragraphs 4.49– 4.59 of the SHLAA. The number of small sites which come forward will continue to be monitored every year through the AMR. This will verify how accurate the discount rate is.
20. For larger sites (5 or more dwellings), a fixed discount rate was not provided. Sites were thoroughly sieved and the density was altered appropriately.

Question 15

Is there sufficient flexibility in the proposals to deal with contingencies?

21. The council believes that policy CS9 is sufficiently flexible to deal with contingencies should the need arise. A risk assessment has been carried out, as set out in paragraph 6.8 and table 9 of the SHLAA and a phased approach will be used for development through the proposed policy in the DDAP.
22. Paragraph 6.10 of the SHLAA and paragraphs 6.09 to 6.11 of the HBCS set out how and why a phasing policy will be introduced alongside the selection of sites through the DDAP. This monitoring approach assesses housing delivery annually and ensures that additional sites from later phases can be brought forward in the event that supply slows or significant sites are no longer deliverable.
23. It should be noted the net additional target of 6,300 new homes is not a maximum.

Affordable Housing

Question 16

Are the proposed percentages and thresholds in Policy CS9 based on sound evidence and consistent with PPS3?

24. Policy CS9 is based on the evidence provided in the PUSH SHHMA and on the Havant Housing Viability Study (HHVS) 2010 [SD09/11a]. The targets in Policy CS9 reflect the advice from paragraphs 9 and 29 of PPS3, PUSH advice and set challenging targets supported by local evidence and viability work.
25. Paragraph 12 of the PUSH Common Framework Principles [SD01/16a] and the SHHMA identifies the need for all qualifying sites to provide up to 40% affordable housing due to the significant need for affordable housing in the sub region. It also advises that local authorities should set policies which have thresholds of below 15 dwellings. These policies are to maximize affordable housing delivery.
26. The level of affordability is based on the HHVS by DTZ. DTZ have done several of these around the UK, and been found sound at other Examinations in Public, it is

considered our data is also sounds as it follows the same methodology. This document recommended, at paragraph 76 of the non-technical report that, “sufficient flexibility needs to be retained within policy to take into account site specific considerations.” For this reason, a sliding scale of between 30 – 40% is being used for affordable housing. Both 30% and 40% have been shown as viable depending on grant availability and the location of the site within the borough.

27. The threshold has been reduced from 15 units or more to 5 units or more following advice from DTZ (paragraph 77 of the non technical report of the HHVS). It demonstrates that smaller sites are no less viable than larger sites when required to provide affordable housing. Historic evidence from a similar policy in Southampton, which has been implemented since 1995, demonstrates that smaller sites still come forward and making a meaningful contribution to affordable housing provision.

Question 17

Is the expected level of affordable housing deliverable; what effect would the requirements have on the viability of housing schemes?

28. The council has not set a single target for affordable housing. A percentage range of between 30% - 40% for affordable housing has been provided to ensure flexibility in the delivery of affordable homes.
29. The SHLAA demonstrates that we could deliver 5,655 homes between 2011 and 2026 on 68 large sites and 73 small sites. This policy will help deliver 1,697 affordable homes as a minimum at 30% and a maximum of 2,262 affordable homes at 40%.
30. The HHVS has demonstrated that providing affordable housing on sites of five units or more will not have a detrimental impact on the majority of schemes at 30% and it will impact upon the viability of some schemes at 40% depending on their location and the value of the house being built. Neither the percentage target nor the reduced threshold should reduce the viability of schemes ensuring that schemes will come forward in the future.
31. Paragraph 6.16 of the Core Strategy provides further flexibility by allowing that where a developer can demonstrate through an independent valuation, that a development is no longer viable as a result of the affordable housing, a reduction in the level of affordable housing may be negotiated. The level of affordable housing delivered will be monitored through the AMR.
32. In terms of tenure, alterations to tenure split have different impacts as set out in the HHVS. There is an improvement in viability if the tenure is changed from 65:35 split to a 50:50 rented/intermediate split. If an unviable site is marginal, an increased level of intermediate housing to 50% may make a site viable. Density also has an impact on viability depending on location and housing type.
33. In relation to grant, generally, the viability of the majority of sites increases when grant is provided. The exception relates to schemes in band 1. However, the level of grant provided is outside the control of the local authority.

Question 18

Is the HBCS flexible enough to allow for the current housing market conditions?

34. The council accepts that this target is challenging in the current economic climate. It is considered that given the extensive levels of need they are appropriate and that the policy is sufficiently flexible to allow for variations in viability on a site by site basis. The HBCS is planning for development until 2026 and it is appropriate to keep the challenging target.
35. The council has set an affordable percentage range, rather than one specific target. This enables the council to take into account the market conditions when determining a planning application. The policy is sufficiently flexible to cope with the current climate as the target is subject to negotiation as set out in paragraph 6.16 of the HBCS. The criteria for these will be set out in the Affordable Housing and Developer Contributions SPDs.

Consultation responses

36. Of the 28 comments four were in support, the remainder raised objections. Most of the objections are addressed above, where they are not, responses are at the end. The objections were as follows:

Affordable housing

- The lower threshold for affordable housing will inhibit small sites coming forward.
 - It is not clear how the 30 – 40% target for affordable housing will be applied to development sites. Will this be set out in the SPD? The affordable housing review should acknowledge that it can be less than 30%.
 - The distribution of affordable housing will be skewed to the western and northern parts of the borough.
 - Requirements for limiting the maximum amount of affordable housing dwellings on a site should be contained within the policy to avoid ambiguity. It should also provide clarity on the clustering of affordable housing in line with RSL requirements.
 - There should be an exceptions policy for affordable housing.
37. An Affordable Housing SPD will consider clustering of housing. Affordable housing will be required on all sites whether to the east or west.
38. Previously developed land and site allocations
- There is a high proportion of development on greenfield sites. This will have a detrimental impact on biodiversity and AONBs. Development should achieve the 60% target for PDL in line with PPS3. Will it be monitored?
 - Development in Emsworth and Bedhampton will have a detrimental impact on the surrounding area.
 - Identifying only the minimum number of sites reduces the council's ability to demonstrate flexibility and responsiveness to supply. The number of sites identified should exceed the requirement. 6300 should not be a maximum target.
 - Housing allocations/ assessment should be in the HBCS not in the DDAP.
 - The proposed development of the Hampshire Farm Reserve site is a premature

- SHLAA and site allocations were not suitably robust. Two other sites Havant Retail Park and Rockville Drive Site should have been identified as appropriate for housing
- Smaller sites should be allocated to ensure housing targets are met.

39. General

- Density requirements are inconsistent with the housing strategy for policy CS9.
- Internal space standards should never be introduced.
- The housing trajectory does not provide sufficient detail in order to monitor how housing is coming forward and when the council expects delivery to take place. The housing trajectory should not take into account the figures for 2001 – 2006.
- Phasing should be done on a strategic level taking into account the whole sub-region. It is not clear how the phasing policy will be formulated.
- No mention of how the council will work with PUSH.
- It is not clear how housing needs of older people will be assessed or met. Land should be released on the edge of settlements.

40. Responses

- Internal space standards may be introduced in the Housing DPD as it emerges from the Homes and Communities Agency.
- The council will continue to take a leading role in PUSH.
- Housing need for older people will be met through the development of sites similar to regular housing