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Five Year Housing Land Supply Update

June 2021



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1. Housing Requirement

The Standard Method

- 1.1 The National Planning Policy Framework (NPPF) states that *“Local planning authorities should identify and update annually a supply of specific deliverable sites to provide a minimum of five years’ worth of housing against their housing requirement set out in adopted strategic strategies, or against their local housing need where the strategic policies are more than five years old.”* The latter should be calculated using the standard method set out in the Planning Practice Guidance.
- 1.2 The Core Strategy (Local Plan) was adopted more than 5 years ago (March 2011), and the emerging Local Plan has not yet been subject to examination. The standard method should therefore be used to calculate the housing requirement.
- 1.3 The Planning Practice Guidance sets out how the standard method is used to calculate an annual local housing need figure¹. Step 1 indicates that the baseline should be set using the 2014-based household projections to calculate the projected average annual household growth over a 10-year period. The method provides an annual number which can be applied to the whole plan period.
- 1.4 The methodology also confirms that the current year should be used as the starting point to calculate growth over that period. This differs from the need figure included in the Submission Local Plan (CD01), but Planning Practice Guidance² indicates that the local housing need figure may be relied upon for a period of 2 years from the time that a plan is submitted to the Planning Inspectorate for examination. The Plan was submitted for Examination on the 12th February 2021.
- 1.5 The baseline is then adjusted to take account of the local housing affordability data which compares the median average of house price of properties sold in the Borough over the year ending in September to the median average income of people working in the Borough according to earnings sample survey data.
- 1.6 A cap may be applied where there is a 40% increase over the projected household growth or the housing requirement set out by the Core Strategy whichever the higher. In this case, the projected household growth is the greater of the two figures. However, when 40% is applied to the projected household growth, this figure is greater than the minimum annual housing need figure. As such no cap is applicable.
- 1.7 In summary, the minimum annual housing need figure is calculated as follows:

¹ [Paragraph: 004 Reference ID: 2a-004-20190220 Revision date: 20 02 2019](#)

² [Paragraph: 008 Reference ID: 2a-008-20190220 Revision date: 20 02 2019](#)

Table 1: Minimum annual housing need figure for Havant Borough	
Stage 1: Setting the baseline	
Average household growth in Havant Borough between 2019-2029 57,948 households in 2030 <u>54,276 households in 2020</u> 3,672 households growth 2020 - 2030 / 10-year period = 367.2	367.2
Step 2: An adjustment to account for affordability	
2019 median workplace-based affordability ratio for Havant Borough	9.95
Adjustment factor ³ $\left(\frac{\text{Local affordability ratio} - 4}{4} \right) \times 0.25 + 1$ 9.95 (local affordability ratio) – 4 = 5.95 5.95 / 4 = 1.4875 1.4875 x 0.25 = 0.371875 0.371875 + 1 = 1.371875	1.339375
The minimum annual local housing need figure for Havant Borough (adjustment factor) x projected household growth 1.371875 x 367.2 = 503.7525 The resulting figure is 504 (rounded).	504
Step 3: Capping the level of any increase	
<p>The Local Plan (Core Strategy) was adopted in March 2011 and was therefore adopted more than 5 years ago. A cap may therefore be applied whichever is the higher of:</p> <ul style="list-style-type: none"> • 315 dwellings per annum set out by Policy CS9 of the Core Strategy • 367.2 based on average annual household growth 2019-2029 (as per step 1) <p>The cap is set at 40% above the higher of the most recent average annual housing requirement figure, or average household growth. In this case, the household growth is the greatest figure:</p> $\text{Cap} = 367.2 + (40\% \times 367.2) = 514.08 \text{ or}$ $367.2 + 146.88 (40\%) = 514.08$ <p>The minimum annual local housing need figure (504) is no greater than the capped figure (514.08). Therefore, no cap is applicable.</p>	
Step 4: Cities and urban centres uplift	

³ As the 2019 affordability ratio for Havant Borough has a value greater than 4, an adjustment factor should be applied: No adjustment is applied where the ratio is 4 or below (as set out in Step 2 of the standard method).

Table 1: Minimum annual housing need figure for Havant Borough

Havant is not one of the urban local authorities in the top 20 cities and urban centres list⁴, and therefore no 35% uplift is applicable. The annual housing need figure for Havant is therefore **504 dwellings per annum**.

Addressing the shortfall

- 1.8 The Planning Practice Guidance (PPG) indicates that any shortfall should also be included in the requirement for the first five years⁵. This results in a five-year supply requirement over and above the local housing need figure.
- 1.9 However, the PPG⁶ advises: *“Where the standard method for assessing local housing need is used as the starting point in forming the planned requirement for housing, Step 2 of the standard method factors in past under-delivery as part of the affordability ratio, so there is no requirement to specifically address under-delivery separately when establishing the minimum annual local housing need figure.”*
- 1.10 It goes on to state: *“Under-delivery may need to be considered where the plan being prepared is part way through its proposed plan period, and delivery falls below the housing requirement level set out in the emerging relevant strategic policies for housing.”* This is the case for the submitted Plan which has a plan period of 2016 to 2037.
- 1.11 As set out in the [Assessing Housing Need for the Plan Period \(2016-2037\) Paper \(August 2020\)](#), the Council has a stepped housing need requirement during the 2016/17-2019/20 period. This is due to the introduction of the Government’s standard method for calculating housing need in 2018. Prior to this, the PUSH [Strategic Housing Market Assessment](#) and [Objectively Assessed Need Update](#) provided an objectively assessed need figure of 450 dwellings per annum.

Table 2: Assessing the shortfall against the housing requirement (2016/17-2020/21)

Year	Net completions 2016/17-2020/21	Requirement 2016/17-2020/21	Source	Shortfall/Surplus (cumulative)
2016/17	649	450	PUSH SHMA	+199
2017/18	290	450	PUSH SHMA	-160 (+39)
2018/19	267	479	Standard method	-212 (-173)
2019/20	366	486	Standard method	-120 (-293)
2020/21	295	504	Standard method	-209 (-502)
Total	1,867	2,369		-502

⁴ [Office for National Statistics list of Major Towns and Cities](#)

⁵ [Paragraph: 022 Reference ID: 68-022-20190722](#)

⁶ Planning Practice Guidance: [Housing supply and delivery](#). Published 22 July 2019. Paragraph: 031 Reference ID: 68-031-20190722

- 1.12 The table above shows that a shortfall of **502 homes** should be added to the five year housing land supply requirement. This is almost equivalent to the Borough's local housing need figure under the standard method (504 dpa). Therefore, excluding any shortfall would automatically increase the Borough's housing land supply position by a year.

Identifying the appropriate buffer

- 1.13 The NPPF requires an appropriate buffer (moved forward from later in the plan period) to be added to the supply of specific deliverable sites. The minimum buffer is 5% but this increases to a buffer of 20% where there has been significant under delivery of housing over the previous three years. This is to improve the prospect of achieving the planned supply. The latter is measured against the Housing Delivery Test (HDT) where this indicates that delivery was below 85% of the housing requirement.
- 1.14 A 10% buffer should be added to the housing requirement where the local planning authority (LPA) wishes to confirm a 5 year housing land supply through the examination of plan policies. This is to account for potential fluctuations in the market over the year to ensure the 5 year land supply is sufficiently flexible and robust.
- 1.15 The 2020 HDT were published in January 2021 and gave a measurement of 72% for Havant Borough. This measurement indicates that it is appropriate to apply a 20% buffer for the purposes of calculating five-year supply.

Five Year Housing Requirement

- 1.16 Based on a minimum annual housing need requirement of 504 dwellings, there is a five year housing requirement of 2,520 dwellings. Including the shortfall, this increases to 3,022. With a 5% buffer added, the five-year supply requirement is 3,173 dwellings (rounded). With a 20% buffer added, the five-year requirement is 3,626 dwellings (rounded).

2. Five Year Supply

Assessing deliverable sites

- 2.1 The Planning Practice Guidance sets out what evidence is required to demonstrate that sites are deliverable. This has been followed in assessing whether sites should be included in the Council's five year supply of housing which is set out at Appendix 2.
- 2.2 For sites with detailed planning permission that have already commenced - numbers of dwellings are included within the 5-year supply for remaining dwellings to be completed as of 31 March 2021. Annual site visits are conducted to confirm the progress of sites under construction, and the trajectory has been updated accordingly. Trajectory and five-year supply figures are also updated based on communication with landowners and developers throughout the year.
- 2.3 This has been supplemented by the Council's communications with and landowners and developers in April 2021, to establish the likely timescales for pre-applications and application submissions (in line with the action set out in Housing Delivery Action Plan (EB37)). Where there is clear pre-application work and intention to bring the site forward within five years, these sites are included.
- 2.4 For any larger sites, delivery is split across several years to reflect how sites are incrementally brought forward. This often means that delivery is expected to commence within the five-year supply period and continue beyond it.
- 2.5 Small site permissions of less than 5 dwellings are included within the five-year supply based on expected delivery and are discounted by 5% to allow for non-implementation. Please note that the small site permission figures presented below have not yet been adjusted to take this into account. This discount will be applied in a future update once this year's monitoring data has been finalised.
- 2.6 Windfall is excluded from five-year supply calculations to avoid double counting, but is included in the trajectory from the plan period from the year 2026/27 onwards.

Specialist housing for older people

- 2.7 Planning Practice Guidance for specialist housing for older people was updated in 2019 and indicates that plan-making authorities may count provision for older people in Class C2 against their housing requirement⁷. To establish the amount of accommodation released in the housing market, the guidance indicates that authorities should base calculations on the average number of adults living in households using the published Census data.
- 2.8 Appendix 1 confirms that there is an average of 1.83 adults living in households in Havant. A ratio of 1.83 has therefore been applied to Class C2 accommodation. This includes 140 dwellings in the supply.

⁷ Guidance - Housing for older and disabled people Paragraph: 016a Reference ID: 63-016a-20190626

Five Year Supply Position

- 2.9 Following the receipt of this year's monitoring data, it is possible to provide an up-to-date supply position taking into account completions during 20/21 and outstanding planning permissions as at 1 April 2021. As such, 2021/22 to 2025/26 is the relevant five year period for the purposes of calculating five year supply.

Table 3: Five Year Supply Calculation for period 2021/22-2025/26 (Sedgefield Method)		
Calculating the required supply		Dwellings
a	Requirement 2016/17 – 2020/21	2,369
b	Completions 2016/17 – 2020/21	1,867
c	Shortfall	502
d	Five year requirement 2020/21-2024/25	2,520
e	Five year requirement plus shortfall	3,022
f	Five year requirement with 5% buffer	3,173
g	Five year requirement with 20% buffer	3,626
Identified Supply		
h	Supply over 5 year period 2020/21-2024/25	3,184
Five year land supply (expressed in years):		
Excluding buffer	h / (e / 5)	5.3
With 5% buffer	h / (f / 5)	5.0
With 20% buffer	h / (g / 5)	4.4

- 2.10 Based on the table above, the Council is only able to demonstrate 4.4 years supply of housing with a 20% buffer, taking into account accumulated shortfall since 2016/17. Excluding any shortfall, the Borough's housing and supply automatically increase by a year to 5.4 years.

Appendix 1: Supply from older person's housing

Average Number of Adults per Household in Havant Borough

Using 2011 Census data, the following table details the average number of adults per household in the Havant local authority area, as well as providing a breakdown of the number of adults per household.

Average number of adults per household in Havant Borough	
Total Households	51,309
Havant Average Number of Adults per Household	1.83
Most Common Number of Adults per Household in Havant	2
Number of Adults per Household	Number of Households
1 adult in household	18,035
2 adults in household	26,284
3 adults in household	5,083
4 adults in household	1,519
5 adults in household	292
6 adults in household	81
7 adults in household	9
8 adults in household	5
9 adults in household	0
10 adults in household	0
11 adults in household	1
12 adults in household	0
13 adults in household	0
14 adults in household	0
15 or more adults in household	0

Older people's housing which can be included housing land supply

The following table sets out residential institutions in Use Class C2 which are included in five year housing land supply.

Application reference		Site Name	Number of beds
Permission APP/15/00303		Former Oak Park School	80
Permission APP/18/00450		Forty Acres, Havant	66
Permission APP/20/00761		Land on the east side of Helmsley House	64
Permission 20/00002		Oak View Residential Care Home, 47-49 Beach Road, Hayling Island	11
Permission APP/17/00230		42 Bedhampton Hill, Havant	7
Permission APP/18/00857		216 Havant Road, Hayling Island	5
Permission APP/19/00466		Cheybassa Lodge, 2 Chichester Lodge, Hayling Island	5
Permission APP/18/00066		52 Stockheath Road, Havant	4
a	Total		242
b	Average number of adults per household		1.8
c	Contribution from older people's housing to five year supply (a/b)		134

Appendix 2: Deliverable Housing Sites

Five Year Housing Land Supply

Permission / allocation ref	Site name	Total Site Capacity	Total included in Five Year Supply	2021/22	2022/23	2023/24	2024/25	2025/26
Emsworth								
Permissions								
16/00774	Land at Selangor Avenue	102	102	62	40			
Perm (16/00921)	Dolphin Quay, Queen Street	6	6	6				
Perm (19/00854)	31A North Street	6	6	6				
Small sites		17	17	17				
	TOTAL:	131	131	91	40	0	0	0
Allocations with permission								
HX (19/00768)	Land rear of 15-27 Horndean Road	16	16	4	12			
	TOTAL:	16	16	4	12	0	0	0
Allocations								
H8	Land North of Long Copse Lane	260	120			20	50	50
H10 (19/01226)	West of Coldharbour Farm	44	44		22	22		
H11	Gas Site, North Street	25	0					
H13	Land at Fowley Cottage, Warblington Close	20	0					
	TOTAL:	349	259	0	22	42	50	50
	TOTAL Emsworth delivery	617	311	95	74	42	50	50
Havant & Bedhampton								
Permissions								
Perm (20/00251	North Street Arcade, 1-3 North Street	29	29		29			
(15/01435)	Land south of Bartons Road	73	73	73				
(15/00303)	Former Oak Park School	99	99					99

Permission / allocation ref	Site name	Total Site Capacity	Total included in Five Year Supply	2021/22	2022/23	2023/24	2024/25	2025/26
Perm (13/01236)	44-54 West Street	14	14	14				
Perm (18/00897)	15 Langstone Road	8	8		8			
Perm (17/00694)	11 East Street	6	6		6			
Perm (20/00936)	5-7 East Street	8	8		8			
	Small site perms (less than 5 dwellings)	35	35	35				
	TOTAL:	272	272	122	51	0	0	99
Allocations with permission								
H14 (18/00450)	Forty Acres	320	320	58	78	78	76	30
H18 (19/00007)	Camp Field, Bartons Road	72	72			32	40	
H23 (17/00863)	Southleigh Park House	90	90			10	40	40
H15 (18/01033)	Land East of Castle Avenue (Phase 1)	69	69	53	16			
H26 (17/00695)	9 East Street	6	6	6				
	TOTAL:	557	557	117	94	120	156	70
Allocations								
H15 (18/01033)	Land East of Castle Avenue (Phase 2)	186	164		14	50	50	50
H17	Portsmouth Water Headquarters	135	0					
H19	Havant Garden Centre	85	0					
H20 (19/00427)	Land South of Lower Road	50	50		30	20		
H22	Littlepark House, Bedhampton	50	50		50			
H24	Land at Palk Road	15	0					
H25	Helmsley House	15	0					
KP1	Havant Town Centre	721	0					
KP8	Havant College (H&SDC)	65	0					
	TOTAL:	1322	264	0	94	70	50	50
	TOTAL Havant & Bedhampton delivery	2316	1093	239	239	190	206	219
Hayling Island								
Permissions								
Perm (17/00529)	380 Sea Front	13	13	13				
Perm (19/00722)	Ward Court 65 Sea Front	5	5	5				

Permission / allocation ref	Site name	Total Site Capacity	Total included in Five Year Supply	2021/22	2022/23	2023/24	2024/25	2025/26
Perm (13/00317)	Yacht Haven Development Site, Copse Lane	6	6	6				
Perm (19/00324)	5-7 Station Road	19	19			19		
	Small site perms (less than 5 dwellings)	37	37	37				
	TOTAL:	80	80	61	0	19	0	0
Allocations with permission								
H31 (18/01297)	Manor Nurseries	9	9			9		
H32 (20/00015)	Pullingers (108-110 Elm Grove)	43	43	43				
	TOTAL:	52	52	43	0	9	0	0
Allocations								
H29 (18/00724)	Land north of Sinah Lane	195	195	10	50	50	50	35
H27	Rook Farm	390	60				10	50
H28	Fathoms Reach	55	55			30	25	
H33	Land rear of 13-21 Mengham Road	7	0					
KP3	Beachlands	100	100				50	50
UE49	Northney Marina	40	0					
KP3	Southwood Road	35	0					
KP3	Eastoke Corner (north)	20	0					
	TOTAL:	842	410	10	50	80	135	135
	TOTAL Hayling Island delivery	1150	542	114	50	108	135	135
Leigh Park								
Permissions								
Perm (19/00060)	71 Forestside Avenue	5	5	5				
18/011009	Former Dairy Crest site, Dunsbury Way	73	73			38	35	
	Small site perms (less than 5 dwellings)	13	13	13				
	TOTAL:	91	91	18	0	38	35	0
Allocations with permission								
H35 (19/01166)	Colt Site, New Lane	94	94	58	36			
	TOTAL:	94	94	58	36	0	0	0
Allocations								

Permission / allocation ref	Site name	Total Site Capacity	Total included in Five Year Supply	2021/22	2022/23	2023/24	2024/25	2025/26
H34	Cabbagefield Row	155	155				80	75
H38	Riders Lane Allotments	70	0					
H36	SSE office site, Bartons Road	80	80			40	40	
H39	Strouden Court	55	55			30	25	
H37	Dunsbury Way (land at former Procter and Gamble site)	15	0					
L138	Leigh Park Centre	75	0					
	TOTAL:	450	290	0	0	70	145	75
	TOTAL Leigh Park delivery	756	475	76	36	108	180	75
Waterlooville								
Permissions								
Perm (10/00828)	MDA Newlands Phase 1 Hambledon Road	210	0					
(13/00804)	Woodcroft Farm	218	218	50	50	50	50	18
(15/01235)	Woodcroft Primary School	31	31	21	10			
PA (19/00533)	Fernwood House, 45-47 London Road	8	8	8				
	Small site perms (less than 5 dwellings)	27	27	27				
	TOTAL:	494	284	106	60	50	50	18
Allocations								
H44 (19/00224)	Padnell Grange	80	80		40	40		
H40	Campdown	650	170		20	50	50	50
H43	Goodwillies Timber Yard	120	0					
KP8	Former South Downs College Car park	95	95			50	45	
H42	Blue Star	90	0					
H46	Land at Waterlooville Golf Club (Land off Anvil Close)	45	0					
H47	Land North of High Bank Avenue	25	0					
TC2	Waterlooville Town Centre	600	0					
	TOTAL:	1705	345	0	60	140	95	50
	TOTAL Waterlooville delivery	2705	629	106	120	190	145	68
Older persons' housing								

Permission / allocation ref	Site name	Total Site Capacity	Total included in Five Year Supply	2021/22	2022/23	2023/24	2024/25	2025/26
(see Appendix 1)								
	Various permissions	134	134	18	0	72	0	44
	TOTAL:	134	134	18	0	72	0	44
Totals								
	Total permissions	1068	858	398	151	107	85	117
	Total allocations with permission	719	719	222	142	129	156	70
	Total allocations	4668	1473	10	226	402	475	360
	Sub-total:	7544	3050	630	519	638	716	547
	Older persons housing	134	134	18	0	72	0	44
	TOTAL		3184	648	519	710	716	591

Appendix 3: Housing Trajectory

