

Five Year Housing Land Supply Update

December 2020



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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 Pre-Submission Local Plan.
- 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 saving 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](#)

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 ² $\left(\frac{\text{Local affordability ratio} - 4}{4} \right) \times 0.25 + 1$ 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	
Havant is not one of the urban local authorities in the top 20 cities and urban centres list ³ , and therefore no 35% uplift is applicable. The annual housing need figure for Havant is therefore 504 dwellings per annum .	

² 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).

³ [Office for National Statistics list of Major Towns and Cities](#)

Addressing the shortfall

- 1.8 The Planning Practice Guidance indicates that any shortfall should also be included in the requirement for the first five years⁴. This results in a five-year supply requirement over and above the local housing need figure.
- 1.9 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.

Year	Net completions 2016/17-2019/20	Requirement 2016/17-2019/20	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)
Total	1,572	1,865		-293

- 1.10 The table above shows that a shortfall of **293 homes** should be added to the five year housing land supply requirement.

Identifying the appropriate buffer

- 1.11 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.
- 1.12 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.
- 1.13 The 2019 HDT results were published in February 2020 and gave a measurement of 101% for Havant Borough. This measurement indicates that it is appropriate to apply a 5% buffer for the

⁴ [Paragraph: 022 Reference ID: 68-022-20190722](#)

purposes of calculating five-year supply. This will be re-evaluated when the 2020 HDT results are published.

Five Year Housing Requirement

- 1.14 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 2,813. With a 5% buffer added, the five-year supply requirement is 2,954 dwellings (rounded). With a 20% buffer added, the five-year requirement is 3,376 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 2020. 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 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. 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 2025/26 onwards.

Specialist housing for older people

- 2.6 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 requirement⁵. 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.
- 2.7 Appendix 1 confirms that 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 91 dwellings in the supply.

⁵ Guidance - Housing for older and disabled people Paragraph: 016a Reference ID: 63-016a-20190626

Five Year Supply Position

- 2.8 Whilst the current year 2020/21 is already well underway, the completions figure for this monitoring year is not yet known. As such, 2020/21 to 2020/25 is the relevant five-year period for the purposes of calculating five year supply.

Five Year Supply Calculation for period 2020/21-2024/25 (Sedgefield Method)		
Calculating the required supply		Dwellings
a	Requirement 2016/17 - 2018/19	1,865
b	Completions 2016/17 - 2019/20	1,572
c	Shortfall	293
d	Five year requirement 2020/21-2024/25	2,520
e	Five year requirement plus shortfall	2,813
f	Five year requirement with 5% buffer	2,954
g	Five year requirement with 20% buffer	3,376
Identified Supply		
h	Supply over 5 year period 2020/21-2024/25	2,857
Five year land supply (expressed in years):		
Excluding buffer	$h / (e / 5)$	5.1
With 5% buffer	$h / (f / 5)$	4.8
With 20% buffer	$h / (g / 5)$	4.2

- 2.9 Based on the table above, the Council is only able to demonstrate 4.8 years supply of housing taking into account accumulated shortfall since 2016/17 and the application of a 5% buffer.

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/17/00230		42 Bedhampton Hill, Havant	8
Permission APP/18/00857		216 Havant Road, Hayling Island	5
Permission APP/18/00066		52 Stockheath Road, Havant	4
a	Total		155
b	Average number of adults per household		1.8
c	Contribution from older people's housing to five year supply (a/b)		91

Appendix 2: Deliverable Housing Sites

Five Year Housing Land Supply

HBLP / Permission Ref	Site Name	Total	2020/21	2021/22	2022/23	2023/24	2024/25
Emsworth							
Perm (16/00774)	Land at Selangor Avenue	146	28	50	50	18	
Perm (16/00921)	Dolphin Quay, Queen Street	6	6				
H8	Land North of Long Copse Lane	260				20	50
H10 (19/01226)	West of Coldharbour Farm	44			22	22	
HX (1900768)	Land rear of 15-27 Horndean Road	16			16		
Various	Sites with planning permission for less than 5 dwellings	27	27				
Havant and Bedhampton							
H14 (18/00450)	Forty Acres	320		30	50	50	50
H14 (18/00450)	Forty Acres (66 bed care home / 1.8) See Appendix 1	37					37
H16 (15/01435)	Land south of Bartons Road	147	55	55	37		
Perm (15/00303)	Former Oak Park School	99				48	51
H23 (17/00863)	Southleigh Park House	90			10	40	40
H21 (17/00575)	Wessex site	41		41			
Perm (18/00530)	North Street Arcade, 1-3 North Street	21		21			
Perm (13/01236)	44-54 West Street	14			14		
H26 (17/00695)	9 East Street	10			10		

Perm (18/00897)	15 Langstone Road	8	8				
Perm (19/00156)	Eastleigh House (conversion)	6	6				
Perm (17/01088)	The White Hart (1 East Street)	5	5				
Perm (17/00694)	11 East Street	6	6				
Perm (17/00601)	5-7 East Street	9	9				
H18 (19/00007)	Camp Field, Bartons Road	72				30	42
H15 (18/01033)	Land East of Castle Avenue	255		24	45		
H20 (19/00427)	Land South of Lower Road	50				25	25
KP8	Havant College	65			65		
	Sites with planning permission for less than 5 dwellings	36	36				
Hayling Island							
Perm (17/00529)	380 Sea Front	13			13		
Perm (19/00722)	Ward Court 65 Sea Front	5	5				
Perm (13/00317)	Yacht Haven Development Site, Copse Lane	6	6				
PA (17/01042)	The Rotunda, Northney Marina	21	21				
Perm (19/00324)	5-7 Station Road	19	19				
H27	Rook Farm	390					20
H28	Fathoms Reach	55				30	25
H29 (18/00724)	Land north of Sinah Lane	195		30	50	50	50
H31 (18/01297)	Manor Nurseries	9		9			
H32	Pullingers	43		43			
KP3	Beachlands	100				50	50
	Sites with planning permission for less than 5 dwellings	45	45				
Leigh Park							

H35 (18/00244)	Colt Site, New Lane	100		50	50		
Perm (19/00060)	71 Forestside Avenue	5	5				
18/01009	Former Dairy Crest site, Dunsbury Way	74		35	39		
H34	Cabbagefield Row	155				50	50
H39	Strouden Court	55			30	25	
	Sites with planning permission for less than 5 dwellings	25	25				
Waterlooville							
H41 (13/00804)	Woodcroft Farm	252	60	60	60	40	32
H45 (15/01235)	Woodcroft Primary School	43	20	23			
Perm (16/00963)	81C The Clockhouse, London Road	30	30				
Perm (19/00394)	157 Milton Road, Cowplain	9	9				
PA (19/00533)	Fernwood House 45-47 London Road	8	8				
H44 (19/00224)	Padnell Grange	80			40	40	
H40	Campdown	650			20	50	50
KP8	Former South Downs College Car Park	95		50	45		
	Sites with planning permission for less than 5 dwellings	37	37				
See Appendix 1	Supply from older person's housing	91	46				45
	TOTAL	2,857	523	521	666	588	560

