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BOROUGH COUNCIL

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Lee Smith, Peter Drake
Fareham Borough Council

Via email only:
[redacted]

Enquiries to: David Hayward
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My reference:
Your reference:
Date: 12th June 2025

Dear Lee and Peter

UPDATE FROM HAVANT BOROUGH COUNCIL REGARDING ASSISTANCE WITH UNMET HOUSING AND EMPLOYMENT NEED UNDER THE DUTY TO COOPERATE

Many thanks to you and your colleagues who met with us on 7th May 2025 to discuss our respective local plans.

The purpose of this letter is to formally update you on the progress of the Council's Local Plan – the Building a Better Future Plan, including the latest position on our housing and employment development needs. This follows our letter dated 5th March 2024 which formally requested assistance with our unmet housing needs, as well as highlighting the work being undertaken to update the Council's employment evidence base.

As you may be aware, the Council is currently consulting on the full draft (Regulation 18) Building a Better Future Plan which closes on 1st July 2025.

Housing need and supply

As you will be aware, the Council's starting point is that it will leave no stone unturned in order to meet its own housing need. However, as demonstrated by the Constraints Study[1] there is also a very constrained supply of land in Havant Borough with the least constrained areas already identified for development.

Our previous letter dated 5th March 2024 identified an unmet housing need of 4,309 homes between 2022 to 2043. Significantly however, that was under the previous standard method figure of 516 dwellings per annum, equivalent to 10,320 dwellings between 2023 and 2043. The publication of the new standard method in December 2024 means that the Borough's need has increased to 892 dwellings per annum, equivalent to 17,840 homes over the plan period (2023 to 2043).

Given the expected lack of suitable land within the Borough with development potential to meet identified housing need, the Strategic Housing and Economic Land Availability

[1] www.havant.gov.uk/planning-services/planning-policy/local-plan/local-plan-evidence-studies-and-strategies

Assessment (SHELAA) includes a comprehensive and robust assessment of all land in the Borough to ensure the Council has fully examined all opportunities for development, and has been published alongside the full draft (Regulation 18) Local Plan for consultation.

The SHELAA concludes there is a developable housing supply of 7,981 dwellings between 2023 and 2043. However, the SHELAA does not take account of the development strategy, nor the Sustainability Appraisal which is undertaken to determine whether a site should be allocated. A total of four potential development strategies were considered through the SA process covering a broad spectrum from a full environmental and brownfield focus to a full housing delivery focus. However, crucially under none of the options is it to possible to achieve delivery of the total need for housing as set out under the standard method, by some margin[2].

Housing Supply 2023-2043 (number of dwellings likely to be delivered under each development strategy option)				
Sources of housing supply	**Option 1**	**Option 2**	**Option 3**	**Option 4**
Completions 2023/24	368	368	368	368
Commitments	1,142	1,142	1,142	1,142
Broad locations considered suitable under the strategy option	1,003	2,406	2,406	2,406
Site allocations considered suitable for allocation under the strategy option	821	1,906	2,669	4,282
Small sites with the urban area	29	37	37	37
Windfall	1,360	1,360	1,360	1,360
Total housing supply	**4,723**	**7,218**	**7,981**	**9,594**
Supply against standard method plan requirement of 17,840	**(13,117)**	**(10,622)**	**(9,859)**	**(8,246)**

The chosen development strategy (Option 2) combines and balances key national and local objectives in the most effective way and overall represents the most appropriate strategy, when considered against the alternatives. The spatial distribution of development planned for through the chosen option focuses on the existing built areas across the Borough, notably Havant and Waterlooville town centres and less constrained greenfield land. On this basis, the Plan identifies a developable housing supply of 7,218 dwellings during the plan period, averaging 361 dwellings per annum.

There is therefore an unmet housing need of 10,622 dwellings from Havant Borough (or 531 homes per year). The submitted Winchester Local Plan, which is at Examination, includes an 'unmet needs allowance' of 1,900 dwellings – of which 70% equivalent to 1,330 dwellings would be apportioned to Havant Borough. This would increase overall supply to

[2] Further information can be found in Sustainability Appraisal which has been published as part of the Council's evidence base: https://www.havant.gov.uk/planning-services/planning-policy/local-plan/local-plan-evidence-studies-and-strategies

8,548 dwellings over the plan period, and reduce unmet need to 9,292 dwellings (or 465 homes per year).

It should be noted this contribution can only be afforded limited weight and may change before the Plan has successfully passed through Examination. However, this obviously only represents a proportion of Havant Borough's unmet need, with a large amount remaining to be accommodated within neighbouring authorities which will need to discussed through the Duty to Cooperate.

Under the Duty to Cooperate, the Borough Council is formally requesting Fareham Borough Council to assist in meeting the unmet housing need of at least 9,292 dwellings arising from Havant Borough. The Borough Council has approached its other neighbouring local authorities[3], and local authorities within the same housing market area[4] with the same request and I will keep you updated on progress with our discussions. I am also mindful that there is unmet housing need arising from Portsmouth City and Gosport Borough respectively within the same Housing Market Area.

Employment need and supply

The Council has now published an Employment Land Review (ELR) which provides an up-to-date assessment of the Borough's economic and employment development needs[5]. It identifies an objectively assessed need figure of 175,199 sq. m of net new floorspace over the plan period of which 139,140 sq. m results from industrial demand, and 36,059 sq. m for office demand.

The ELR indicates that the industrial market is strong across the Borough, but the market is constrained due to low levels of availability. The potential site allocations could help to address some of those supply constraints, but the Dunsbury Park Freeport Tax Site status means that the floorspace supply from Phase 3 cannot be relied on to meet general demand and local need for new floorspace. This is further compounded by a lack of office sites promoted to meet need and a number of allocated sites no longer available to meet the Borough's employment need[6].

[3] East Hampshire District Council, Portsmouth City Council, Winchester City Council and the South Downs National Park Authority
[4] Fareham Borough Council and Gosport Borough Council
[5] www.havant.gov.uk/planning-services/planning-policy/local-plan/local-plan-evidence-studies-and-strategies
[6] Kingscroft Farm (SHELAA Refs HA20 and ED09) and Brockhampton West (Ref ED14)

Overall demand and supply	2023-43 Sq m (GIA)
Industrial demand	139,140
Office demand	36,059
Gross demand	**175,199**
Industrial supply	121,475
Office supply	2,300
Total supply	**123,775**
Balance over (under) supply	**-51,424**

On this basis, the Borough has an unmet need of 51,424 sq. m for employment floorspace over the plan period. Of this, 17,665 sq. m is industrial demand and 33,759 sq. m is office demand.

Under the Duty to Cooperate, the Borough Council is formally requesting Fareham Borough Council to assist in meeting 51,424 sq. m of unmet employment need. The Borough Council will also be approaching our other neighbouring local authorities, and local authorities within the same travel to work area with the same request and I will keep you updated on progress with our discussions.

Joint working

Our authorities have a strong track record of working together through the Partnership for South Hampshire and on a bi-lateral basis. We look forward to continuing constructive and active discussions to effectively address unmet housing and employment development needs arising from Havant Borough.

In your response to this request for assistance, please could you set out the process by which your authority will look to respond to the high level of unmet housing and employment need arising from Havant Borough. It is recognised this may need to take a staged approach depending on the progress of your local plan, and its supporting evidence. A further meeting can be arranged if it would be useful to explore this further. Please could you respond no later than 10th July 2025. Please note that we may share your response with other duty to cooperate partners and publish it as part of our evidence base.

I look forward to receiving any consultation response to our Draft Local Plan consultation and progressing our discussions around a Statement of Common Ground in due course.

Yours sincerely

[redacted]

Strategic Planning Manager