

# **Persimmon Homes South Coast response to Havant Borough Local Plan matters and issues for examination**

## **MATTER 1: LEGAL REQUIREMENTS**

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Version: 2

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**Q1.1: Has the Plan been prepared in accordance with the Duty to Co-Operate imposed by Section 33A of the Planning & Compulsory Purchase Act 2004 (as amended), particularly with regard to (but not limited to) any unmet housing need in the Partnership for South Hampshire area.**

1. Persimmon Homes South Coast (PHSC) notes the requirements of paragraphs 11b and 60 of the NPPF for strategic policies to meeting objectively assessed needs for housing, as well as any unmet needs from neighbouring areas. This is in conjunction with paragraph 26, which says that (underlined for emphasis) *'joint working should help to determine... whether development needs that cannot be met wholly within a particular plan area could be met elsewhere'*. Furthermore, Planning Practice Guidance<sup>1</sup> makes clear that the Duty to Cooperate (DtC) means engaging *'constructively, actively and on an ongoing basis to maximise the effectiveness of local plan... in the context of strategic cross boundary matters'*.
2. PHSC believes that Havant Borough Council has engaged with neighbouring authorities in a manner sufficient to pass the legal tests of the Duty to Cooperate (DtC). However, PHSC is equally aware that Paragraph 35a of the NPPF requires councils to reach agreements *'so that unmet need from neighbouring areas is accommodated where it is practical to do so and consistent with achieving sustainable development'*. The wording implies an onus on councils to leave no stone unturned in the search for 'practical' opportunities to meet unmet needs.
3. As such, PHSC believes that the Council has not gone far enough when undertaking discussions under the DtC to truly comply with paragraph 35a of the NPPF. This is because there is physical capacity in the borough to meet other councils' unmet housing needs, as explained below. This therefore has an implication for the soundness of the plan and the plan will require modification through the addition of omission sites, in order to be found sound.
4. It is indisputable that one of the most pertinent issues in the sub-region is meeting the housing needs of the Partnership for South Hampshire (PfSH, formerly PUSH). Indeed, page 7 of the LPA's Duty to Cooperate Statement (CD26) admits this.
5. It is also a concern to PHSC that the plan has been prepared in the context of the 2016 PUSH Spatial Position Statement, which at five years old should not be considered to represent an up-to-date representation of the housing needs of the PfSH area. Indeed, when the Spatial Position Statement was produced, the standard method for calculating local housing need had not been published and so the picture of housing need in the PfSH has changed significantly since. This is illustrated by the table below, which summarises the housing targets expressed in the Spatial Position Statement versus the number dwellings per annum expected to be delivered by the PfSH authorities under the standard method (as at March 2021). In interpreting the table below, note that the PfSH area covers part of some council areas, such that direct comparisons with figures from the standard method cannot be made. Furthermore, the partnership has evolved since 2016, with geographical boundaries altered, which makes comparisons in some instances difficult. The authorities in question are East

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<sup>1</sup> Ref ID: 61-029-20190315

Hampshire, New Forest, Test Valley and Winchester, which have been excluded from the table below.

| Local authority | Target in table H1 of the PUSH Spatial Position Statement (annualised) | Annual target using standard method | Difference  |
|-----------------|--|-------------------------------------|-------------|
| Eastleigh       | 650  | 694                                 | +44         |
| Fareham         | 366  | 514                                 | +148        |
| Gosport         | 146  | 238                                 | +92         |
| Havant          | 399  | 504                                 | +105        |
| Isle of Wight   | 563  | 688                                 | +125        |
| Portsmouth      | 633  | 855                                 | +222        |
| Southampton     | 846  | 1,002                               | +156        |
| <b>Totals</b>   | <b>3,603</b>   | <b>4,495</b>                        | <b>+892</b> |

**Table 1: overview of PUSH Spatial Position Statement, set against March 2021 housing targets**

6. As table 1 illustrates, just in terms of the identified local authorities, the target for only part of the PfSH area has increased by just under 900 homes per annum. Whilst it does not convey the full picture, it nevertheless illustrates just how outdated the Spatial Position Statement is and consequently its unreliability as a basis for strategic planning across boundaries. Paragraph 7 of the PfSH statement of common ground (SoCG) (SCG09) acknowledges this, stating how *'time has moved on since the production of the Spatial Position Statement and there is a need to review and update it'*. Interestingly, table 2 of the SoCG estimates the total requirement over the period 2020-2036 across the PfSH authorities to be in the region of 83,600 homes (5,225dpa), which is commensurate with table 1 of this representation above.
7. But more crucial is the conclusion in table 4 of the SoCG, which admits that there will be a shortfall in the PfSH area of some 10,750 homes over the period 2020-2036. As for how this will be addressed, the pathway is notably unclear. The SoCG talks about a new Joint Strategy, with table 1 in the SoCG indicating a Joint Committee report to be published at some point in Q4 of 2021. However, it is unclear at this stage how the significant shortfall of new homes will be met and given the constrained nature and significant deficit forecast for East Hampshire and Portsmouth (-623 and -669 homes, respectively), for example, the Havant Local Plan must play a role in accommodating unmet needs. It is PHSC's view that additional land should be allocated within the Havant Local Plan (alongside those sites already proposed for allocation), if the Council is to be proactive in meeting identified unmet neighbouring needs in the spirit of the DtC.
8. Added to this is the potential for unmet needs emanating from Chichester District Council. PHSC notes in Chichester's SoCG with the Council (SCG13) that Chichester will not be asking Havant to accommodate any of its unmet need and vice versa. However, the table under paragraph 12 of the SoCG shows that the housing target for Chichester is 12,350 homes based on a December 2018 calculation, which equates to 650dpa. This pre-dates the PPG's standard

method for calculating housing need published in February 2019, which results in a significant uplift to 753dpa (March 2021 figure). It is unclear as to whether Chichester District Council will be able to accommodate this additional 153dpa currently unaccounted for in its emerging strategy, or if it will need to look to neighbouring authorities such as Havant to meet any unmet needs.

9. A further SoCG between the Council and the rest of PfSH (SCG05) directly deals with unmet need emanating from the Portsmouth Housing Market Area, concluding without any evidence that *'it is accepted that Portsmouth City is unable to meet its housing need in full based on the 2016 SPS'* (note that this is in respect of the Spatial Position Statement, rather than the increase in unmet needs arising with the standard method), but *'it is agreed that the HBLP has maximised the potential for housing delivery within Havant Borough so far as sustainable development can still be achieved'*. PHSC fundamentally disagrees with this dismissive conclusion, noting that it has promoted land at Southmere Field<sup>2</sup> in the emerging plan, but the Council is resisting development in this location without good reason.
10. It is further noted that Fareham Borough Council's Reg 19 draft Local Plan (due to be published in July with submission expected in August 2021) is only proposing to accept around 1,000 dwellings from the whole sub-region's unmet need (i.e. not unmet needs specific to the Portsmouth HMA, particularly from Portsmouth City and to a lesser extent from Gosport Borough).
11. The Havant local plan's target is to deliver 10,433 homes and on the face of it, the total of 10,773 homes shown in table 2 of the Recommended Changes to Submission Local Plan (CD27a) appears to show a buffer of 340 homes. However, the surplus is not expressly referred to as contributing towards any neighbouring council's unmet needs, thus making it implicit that the plan is not actively seeking to meet an unmet needs whatsoever. Indeed, paragraph 15 of the Strategy Topic Paper (TP01) says that the buffer is only there to provide flexibility to adapt to rapid change, rather than contribute to unmet needs. This is highly unsatisfactory, particularly when the same paper discusses at paragraph 14 how it was previously possible to meet some of Portsmouth City's unmet need, but owing to delays in the production of the Havant local plan and the extension of the plan period, that surplus has diminished. No efforts have been made to work with site promoters to bring forward additional land.
12. Instead, it appears that the Council has chosen the more politically palatable route of taking no neighbouring needs at all. Indeed, the political difficulties in the site selection process are well documented in the 'contentious sites' section of the Sites Topic Paper (TP02), making clear that the local plan process has been a sensitive one. But stating at paragraph 16 of the topic paper that *'the Council has gone to great lengths to 'leave no stone unturned' in identifying sites which are suitable for housing delivery'* is simply not true, considering that PHSC is promoting unconstrained land at Southmere Field.

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<sup>2</sup> SHLAA 2020 ref. HB15

13. This has further ramifications in terms of the Sustainability Appraisal process and the consideration of reasonable alternatives. The Council's response to the inspectors' third letter (CR08) says there was no need to consider reasonable alternatives because there were no reasonable alternatives. However, Southmere Field, as an unconstrained and deliverable site, is a very clear reasonable alternative that should have been given due consideration.
14. The inspectors' letter to the Council (CR01) raises the concern as to '*whether all avenues have been exhausted in finding additional supply*'. However, the Council's response (CR02) does not directly respond to the question, instead referring to housing topic papers (TP1 and TP2) which repeat the same spurious reasons for excluding land at Southmere Field that do not withstand scrutiny. PHSC is therefore resolutely of the view that the Council has not exhausted all avenues.
15. But setting that issue to one side, PHSC previously raised grave concerns in its response to the Regulation 19 consultation about the deliverability of identified sites that make up elements of the Council's projected supply, namely:

#### Havant Town Centre

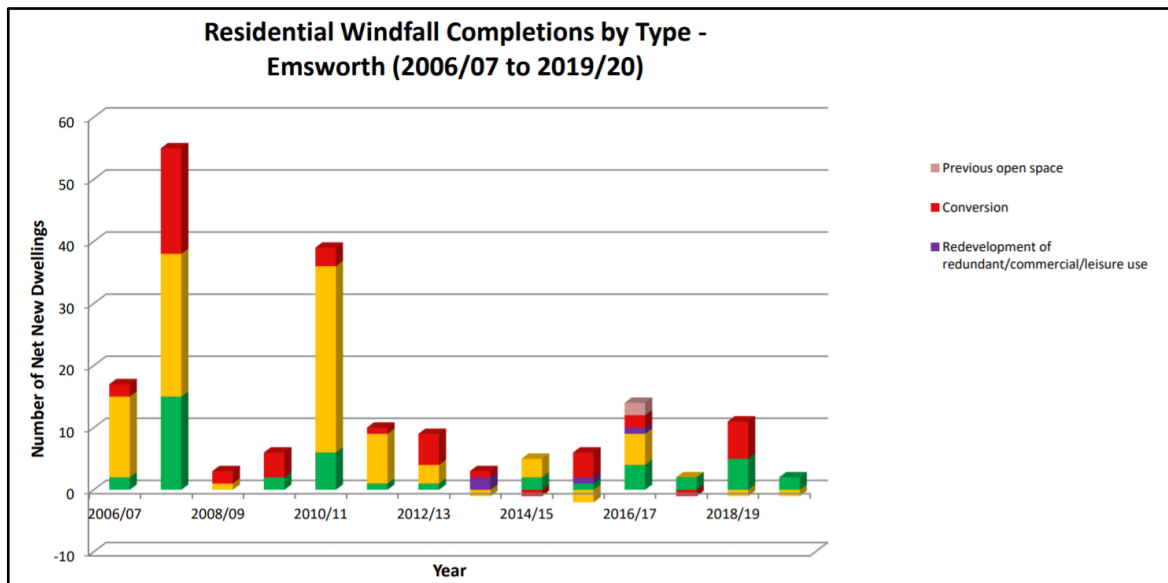
16. A wide area of Havant Town Centre is earmarked for regeneration, with only limited areas considered as being suitable for housing development: Civic Campus and Market Parade, which straddle the constrained, historic core of the town. The area was previously identified as having potential for only 225 dwellings in the site allocations document. A masterplan establishing the council's development parameters or layout is still to materialise, but nevertheless, the Council expects around 750 dwellings to be delivered in the town centre.

#### Waterlooville Town Centre

17. The council's approach has little emphasis on delivery. When assessed in the context of the fragmented ownership and the lengthy process of any CPO measures required to amalgamate the required land, there are clear doubts as to the deliverability of the Council's ambitious vision. Compounding this issue is the feasibility of accommodating 600 units at a town centre where market metrics do not readily indicate demand for small, flatted units in this location.

#### Windfall

18. The Council makes a significant allowance for windfall development, predicting approximately 1,188 dwellings between 2025/26 and 2036/37. The Council's Windfall and Unidentified Housing Development Analysis and Justification Paper (2020) (EB45) sets out the justification for this, which is based on historic windfall trends from 2006 across different sub areas of the borough. Whilst PHSC does not object to the method employed to the calculation, it does object to the level of discounting, which projects the future level of windfall in a very positive light. A glance at the graphs showing residential windfall completions by type across each area shows some variations year on year, but with a clear trend of a decreasing supply in windfall as a source of housing since 2006. Taking Emsworth for example, an excerpt of this graph is shown in figure 1 below.



**Figure 1: Windfall and Unidentified Housing Development Analysis and Justification Paper excerpt  
showing Emsworth historic windfall**

19. Quite clearly, years 07/08 and 10/11 showed early peaks, with a marked decline since. Although the Council has discounted windfall assumptions by 10% it is still not reflective of recent years and the inevitable drying up of supply as sites are developed. The windfall allowance for Emsworth in the local plan is nevertheless 11dpa, which has only been achieved once in the last 10 years, with the table showing that half that number would be a more realistic average assumption. PHSC therefore believes that the total reliance upon windfall should be half of the average windfall trends since 2006. Rather than 1,188 homes from this source, a more realistic assumption would be in the order of 660.
20. Given the above, it is unlikely the Council has allocated enough land to meet its housing target, let alone be in a position to help meet neighbouring unmet needs. The solution is to include omission sites.
21. PHSC therefore believes that without the identification of omission sites, the plan does not comply with paragraph 35a of the NPPF and it will be necessary for modifications to be made to the plan in order for it to be found sound.