

Issue 4: Other Housing Matters

1.0 Distribution of Housing Development and Deliverability (5.1 and 6.1)

1.1 Policy SS3 of the Plan is considered unsound due to the distribution of housing being unjustified and conflicting with the accompanying Sustainability Appraisal (SA), failing the justified, effective and consistent tests at para. 182 of the NPPF.

2.0 Distribution of Housing – Over-Reliance on Basingstoke Town (5.1)

2.1 It is accepted that Basingstoke is the principal and most sustainable settlement in the Plan area and should be the main focus for growth. However, it is considered that the Plan is unsound due to the over-reliance on the town to deliver the significant majority of new homes required.

2.2 Taking Appendix C of the May 2015 Housing Topic Paper (HTP'15), if one deducts completions, planning permissions and windfalls from the Council's Housing Supply Schedule over the period 2011/29, there remains 10,850 homes to be delivered via:

(a) opportunity sites being extant Local Plan allocations and Brownfield land (2,820 homes);

(b) regeneration sites (200 homes);

(c) new Local Plan allocations (6,930 homes), and;

(d) Neighbourhood Plans (900 homes).

2.3 Excluding 2,103 units to be met on as yet unidentified Brownfield / urban regeneration land, a total of 7,537 of the remaining 8,747 new homes identified in Appendix C are expected to be delivered at Basingstoke. This represents 86% of all new housing which is likely to be proportionally higher given that the majority of unidentified Brownfield and urban regeneration land is also likely to be located in Basingstoke.

2.4 The only substantive sources of housing supply to be delivered outside Basingstoke over the Plan period comprise 900 new homes across six Neighbourhood Plan (NP) areas and two modest Greenfield allocations under Policy SS3. If NP allocations are excluded, 96% of all future housing identified in the Plan would be located in Basingstoke. If B&D are looking to address historic undersupply over the next 5 year period (as per Sedgfield method) plus delivering their baseline housing figure plus buffer, 96% of these substantial number of houses will need to be accommodated in Basingstoke town as no NP Area is expected to deliver any housing over the next 5 year monitoring period (2014/19).

2.5 The HTP'15 confirms that the Council delivered 1,527 homes over the first 3 years of the Plan. This resulted in a shortfall of 1,449 dwellings. Assuming that this shortfall is to be met during the current 5 year period (see our Issue 3 Statement), the total requirement to be met across the Borough during the five year period 2014/15 to 2019/20 would be 6,549 dwellings. This includes meeting the accrued shortfall from the base date of the Plan (the Sedgfield approach) plus a 20% buffer.

2.6 Based on the conclusions of the HTP'15 that 86% of these houses are to be delivered in Basingstoke, if this rationale is then applied to a 5 year housing land supply position, it would require between 952 (at 5% buffer) and 1,054 (at 20% buffer) homes per annum being accommodated in a single town and housing market area. Having regard to the evidence

prepared by Woolf Bond and Winkworth appended to our previous representations to the Main Modifications to the Plan, we raise the following soundness concerns:

(1) Completion rates in B&D as **an entire Authority area**, have only exceeded 952 homes (the lowest possible target) in three isolated 'boom' years since 1996. To maintain a 5 year housing land supply following adoption, the Plan relies on **Basingstoke town alone** delivering a minimum of 952 homes per annum;

(2) There will be a large degree of competition due to the number of development sites envisaged for Basingstoke which will naturally result in caution amongst developers in terms of annual completions;

(3) Any housing need requirements cover the Borough as a whole and it is unrealistic to assume that all those needing new homes will be focusing on Basingstoke. Significant unmet need exists in the principal, sustainable villages in the Borough which the Plan makes little allowance for;

(4) Expecting a single town to deliver a minimum of 86% of all new housing is an unevidenced strategy which risks perpetuating the 5 year housing land supply shortage currently experienced in B&D rather than delivering homes more equitably across the Borough.

2.7 This over-reliance on Basingstoke to deliver the majority of all new housing is not only unsound but is also in direct conflict with the SA. The SA considers three principal development options with Option 2 '*Basingstoke focus and a spread of development to larger settlements in the Borough*' preferred. This option is not representative of the strategic distribution of housing now proposed within the Plan which expects an absolute minimum of 86% of future provision to be delivered in Basingstoke. This housing strategy is more closely aligned with reportedly rejected Option 1 '*Basingstoke focus for all development*'. Looking at Policy SS3 strategic housing allocations only, 96% are expected to be accommodated in Basingstoke town (7,150 of 7,420).

2.8 The 2015 SA update (PS/02/16) has not considered all available options for delivering increased housing numbers following the December 2014 exploratory meeting, and therefore the Plan does not consider the environmental effects of locating a further 1,616 homes around Basingstoke town (750 at Hounsome Fields and the majority of the 866 contingency figure) compared with greater dispersion around the Borough.

2.9 The HTP'15 demonstrates that the Council expects, as an absolute minimum, 86% of all future housing over the Plan period to be delivered in Basingstoke. Looking at the next 5 year monitoring period, the Council would need to be delivering a minimum of 952 homes per annum in Basingstoke town each year assuming only a 5% buffer (n.b. the 952 is 86% of the total annual requirement). When one considers that over the past 18 years, the Authority-area as a whole has only exceeded 952 homes per annum on three isolated occasions, it puts into perspective the shortfalls of the current housing delivery strategy.

2.10 **It is imperative that Policy SS3 is amended to include a broader distribution of homes across B&D as a whole** which are able to deliver a more equitable spread of housing. This would address the soundness deficiencies of the existing housing distribution strategy as follows:

- It would reduce over-reliance on Basingstoke as a single housing market area, providing new homes in other sustainable settlements to address unmet need;

- It would reduce the considerable risk of over-saturation of the Basingstoke town housing market which would impact upon the appetite of the market to deliver the significant quantum of new homes required;
- It would provide a choice of homes across B&D as per para. 47 of the NPPF rather than simply in Basingstoke town;
- It would reduce reliance on a relatively limited number of large-scale allocations in Basingstoke delivering the vast majority of the Authority's housing need applying unevidenced and historically unrepresentative completion rates (see below);
- It would allow the delivery of housing in closer proximity to public transport nodes and local services in some of the principal main villages rather than on the periphery of Basingstoke town;
- It would reduce reliance on costly and complex strategic highway and infrastructure improvements required to accommodate the cumulative number of new homes for Basingstoke (see below).

3.0 Housing Provision Deliverability Assumptions (6.1)

3.1 Appendix C of the HTP'15 includes projected delivery rates for strategic housing sites proposed for allocation in the Plan. The Manydown site to the west of Basingstoke is expected to deliver 3,400 homes over the Plan period. In order for the Plan to be 'justified' and 'effective' it is imperative that Manydown is able to deliver the full 3,400 requirement equating to a minimum annual delivery rate of 300 homes over a consistent 11 year period.

3.2 The Council has not provided evidence to demonstrate that a delivery rate of 300 homes per annum on the Manydown site is realistic or achievable. If the Council is to reinstate and maintain a 5 year supply of housing land, it is important that the delivery rate of 300 units per annum is justified as this represents a significant proportion, up to 50% in some years, of new homes to be delivered via Policy SS3.

3.3 Dandara has looked at both past and future strategic housing allocation completion rates in Basingstoke and key locations around Hampshire and Berkshire. Looking first at Basingstoke, it is evident from Table 1 that annualised completion rates on past strategic housing sites only very rarely exceeded 200 dwellings per annum and actually **averaged only 106 dwellings per annum**.

Year	2003/ 04	2004/ 05	2005/ 06	2006/ 07	2007/ 08	2008/ 09	2009/ 10	2010/ 11	2011/ 12	2012/ 13	2013/ 14	Total 2003- 2014
Popley Fields	0	0	0	105	172	118	186	126	44	0	0	751
Land North of Popley	0	0	0	0	65	57	16	28	0	0	15	181
Taylor's Fm & Sherfield Place	0	56	59	79	86	88	51	143	141	88	91	882
Kempshott Park ¹	213	281	84	33	24	0	0	0	0	0	0	635
Total	213	337	143	217	347	263	253	297	185	88	106	2,449

Table 1: Historic Completion Rates on Strategic Basingstoke Housing Sites (Source HCC)

3.4 Historic housing delivery rates in B&D raise significant questions regarding the evidence base that the Council is using to project the completion of 300 dwellings per annum on the Manydown site.

- 3.5 Moving on to look at projected annual housing completion rates across Hampshire and Berkshire, the anticipated annual delivery rates below are taken from major strategic housing allocation sites located in the following Authority areas:

Winchester – Barton Farm, North Winchester (2,000 units) = 200 p/a (2014 AMR).

West Berkshire – Newbury Racecourse (1,500 units) = 200 p/a (Dec 2015 5 YHLS Update);
Sandleford Park, Newbury (2,000 units) = 160 p/a (Dec 2015 5 YHLS Update).

Reading – Kennet Island Phases 1 to 3, Reading (1,386 units) = 165 p/a (2014 AMR)
Station Hill, Reading (782 units) = 100 p/a (2014 AMR)
Pingemead, Reading (737 units) = 100 p/a (2014 AMR).

Bracknell – Jennetts Park, Bracknell (1,350 units) = 179 p/a (April 2014 Housing Trajectory);
Former TRL Site, Crowthorne (1,000 units) = 150 p/a (April 2014 Housing Trajectory);
Amen Corner, Binfield (725 units) = 100 p/a (April 2014 Housing Trajectory).

- 3.6 We have considered projected delivery rates for large, strategic housing sites on the edge of major settlements throughout Hampshire and Berkshire. These have generally shown that projected delivery rates range between 100 and 200 dwellings per annum on large strategic housing sites.

- 3.7 There are very few examples of housing sites where over 200 units p/a are **projected** to be delivered akin to the Manydown site (albeit all less than 300 p/a). These include the following:

Winchester – West of Waterlooville (2,170 units) = 240 p/a (2014 AMR).

East Hampshire – Whitehill and Bordon (4,000 units) = 250 p/a average (2012 Masterplan).

- 3.8 These sites are considered able to deliver over 200 units per annum because they represent the single development site in a particular housing market area, very different to Manydown. During those years when the Council are expecting 300 new homes p/a to be completed at Manydown, the town is also expected to be delivering up to 370 additional homes on Greenfield sites, excluding any Brownfield sites or windfall completions. Such a yearly level of completions in a single housing market area is unevidenced, overly optimistic and thus unsound.

- 3.9 In order to be made sound, the Plan should supplement the small number of large strategic housing sites allocated around Basingstoke with a more equitable spread of housing sites across B&D as a whole. This would address two separate but interrelated soundness concerns regarding the reliance on Basingstoke delivering the significant majority of homes required over the Plan period and within that, reliance on a relatively small number of large strategic sites to deliver high annual housing completions to provide the minimum housing need requirement. By including other strategic housing allocation sites, the Plan will ensure it is 'justified' and 'effective' by being able to draw on a variety of sources of housing supply across the Borough delivering realistic and historically evidenced rates of completions.

4.0 Viability of Housing Delivery Highways and Infrastructure Improvements (6.1)

- 4.1 For the Plan to be found sound, it must be shown to be deliverable and viable in line with paras. 173 and 177 of the NPPF. With the Plan proposing that 96% of all strategic housing allocations are to be delivered in and around Basingstoke, the extent of highways and social infrastructure improvements to accommodate such growth is significant.
- 4.2 The April 2014 Infrastructure Delivery Plan (IDP) and 2015 update (PS/02/20) identify a range of highway and social infrastructure improvements required to accommodate future housing growth in Basingstoke. Due to the cumulative impact of such growth in Basingstoke, much of the required improvements are strategic in scale with significant cost burdens, the source of which is largely unidentified. At the 4th March 2015 Economic, Planning and Housing Committee, it was anticipated that a £190 million funding shortfall existed to enable the delivery of such infrastructure.
- 4.3 As an example, due to the volume of new development to be introduced to the south-west of Basingstoke, which now includes an additional 750 homes at Hounsome Fields, the 2015 IDP estimates a requirement for £42.8 million to deliver critical infrastructure necessary to allow the housing to be delivered. Only £8.5 million has been identified to date which leaves a further circa £35 million to be found.
- 4.4 It is imperative that the Plan is tested from a viability perspective to ensure that the significant, cumulative highway and social infrastructure improvements necessary to allow the delivery of new housing is able to be funded and thus delivered. The Council is placing an unnecessary burden on existing and future infrastructure by locating 96% of strategic housing growth in Basingstoke which represents a level of growth whereby only significant, costly strategic infrastructure improvements can make the level of development envisaged acceptable. This is a significant hurdle to the Council delivering the number of new homes required as their delivery relies on largely unfunded strategic highway and social infrastructure improvements and clearly demonstrates the approach is unsound.

5.0 Neighbourhood Plans (10)

- 5.1 Following the 2015 Exploratory Meeting, the Council has given little consideration to the ability of NP Areas to deliver additional housing on the premise that doing so would “... *be contrary to the spirit of Neighbourhood Planning, the support for which is a key part of the Submission Local Plan*” (17th March Cabinet Report, para. 4.28).
- 5.2 Policy SS5 fails the ‘justified’ test of soundness as the Council has not given proper consideration to the ability of NP Areas accommodating increased housing numbers now being proposed for B&D following modifications to the Plan. Put simply, the mistaken premise that no additional housing can be considered for any NP Areas in B&D as this would be ‘contrary to the spirit of localism’ has pre-determined the housing strategy for the delivery of increased housing numbers. By failing to consider the ability of any parts of the Borough currently preparing a NP to accommodate additional housing, the Plan’s housing strategy is being led by NPs rather than NPs being in conformity with the Plan as required by the NPPF.
- 5.3 This has unfairly given the impression to those preparing NPs that housing targets are fixed for those areas despite the overall OAN and housing distribution not having yet been tested or found sound.

- 5.4 Para. 182 of the NPPF is clear that in order for a Plan to be 'justified', and thus sound, the housing strategy must be tested against reasonable alternatives. The Plan is failing to give any consideration to the option of delivering more housing in NP Areas, as is the SA, due to the pre-determined position taken by the Council.
- 5.5 Due to this approach, no consideration has been given to the ability of the larger, sustainable villages to accommodate additional housing. Consideration of whether the main sustainable villages could accommodate additional housing is imperative if the emerging Plan is to be found sound as 'justified' as this alternative strategy has not been considered.
- 5.6 The Council are applying 'false economy' to NPs by not considering the most appropriate, deliverable housing strategy for the Borough and thus risking perpetuating further 5 year housing land supply shortfalls. If this shortfall were to be repeated, any 'made' NP would no longer be considered up-to-date as per para. 49 of the NPPF (Woodcock Holdings Limited v Secretary of State for Communities and Local Government. Case Number: CO/4594/2014). It is therefore imperative to NPs that the Plan adopts a realistic, evidenced and deliverable housing strategy.

6.0 Issue 4 – Summary

- 6.1 This Statement has focused on the distribution of housing development proposed within the Plan and the impact the existing strategy will have upon deliverability and viability of supply. Dandara considers that the Plan is unsound for four inter-related reasons and is not currently 'justified' as representing the most appropriate strategy nor 'effective' in terms of deliverability for the following principal reasons:
- (1) The Plan requires a minimum of 86% of new homes delivered over its period to be accommodated in Basingstoke which increases to 96% if one only considers strategic allocations under Policy SS3. Applying these percentages to the next 5 year housing supply period, Basingstoke town would be required to deliver 1,126 new homes per annum, a level of housing delivery only experienced in the Authority area as a whole during 3 of the past 18 years. No evidence has been provided to demonstrate that Basingstoke as a single housing market area is able to deliver this number of homes;
 - (2) The Plan relies on a small number of large strategic housing allocation sites in Basingstoke to deliver 96% of all housing under Policy SS3. The cumulative and individual completion rates are unevidenced within B&D and the wider South East, especially the circa 300 units per annum for Manydown for over a decade, putting at serious risk the deliverability of the Plan's housing target;
 - (3) The quantum of new housing expected to be delivered in Basingstoke requires significant investment in strategic highways and infrastructure improvements for which insufficient evidence has been provided in terms of funding, timescales and deliverability;
 - (4) The pre-determined position that no NP Areas should accommodate any additional housing has resulted in an unjustified housing strategy focused on Basingstoke which has perpetuated the concerns raised above by excluding a number of larger, sustainable villages from accommodating increased housing numbers.
- 6.2 The Plan is able to be made sound by the Council allocating a wider range of housing sites across the Borough in a more equitable manner. This change would not only address significant unmet housing need outside Basingstoke town, especially in the more sustainable

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main villages, but would also ensure a more realistic and evidenced supply of housing across different housing market areas thus reducing pressure on Basingstoke town in terms of total numbers of homes to be delivered and the high completion rates expected.