

<b>Report to Economic, Planning and Housing Committee</b>	<b>4 March 2015</b>
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<b>Subject:</b>	<b>Local Plan Housing Numbers and Site Allocations</b>
<b>Status:</b>	<b>Open</b>
<b>Report Ref:</b>	
<b>Ward(s):</b>	<b>All</b>
<b>Key Decision:</b>	<b>Yes</b>
<b>Key Decision Ref:</b>	<b>KD 910/PL</b>
<b>Report of:</b>	<b>Cllr Mark Ruffell – Portfolio Holder for Planning and Infrastructure</b>
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<b>Appendices:</b>	<p><b>Appendix A – Summary of Comments from Member Briefing</b></p> <p><b>Appendix B – Environment Agency: Water Quality Modelling Summary</b></p> <p><b>Appendix C – Summary of Transport Assessment Update</b></p> <p><b>Appendix D – Sustainability Appraisal and Site Assessment</b></p> <p><b>Appendix E – Proposed updated Submission Local Plan policies</b></p> <p><b>Appendix F – Response from Hampshire County Council regarding East of Basingstoke SS3.9</b></p> <p><b>Appendix G – Site Map for Basingstoke Town</b></p> <p><b>Appendix H - Infrastructure Delivery Plan schedule</b></p>
<b>Papers relied on to produce this report</b>	<ul style="list-style-type: none"> <li>• <b>Basingstoke and Deane Local Plan – Submission – Regulation 22 (BDBC, October 2014)</b></li> <li>• <b>Basingstoke and Deane Revised Pre-Submission Local Plan 2011 to 2029 - Habitats Regulations Screening Assessment</b></li> <li>• <b>Housing Topic Paper</b></li> <li>• <b>Strategic Housing Land Availability Assessment (SHLAA) Version 9</b></li> <li>• <b>Sustainability Appraisal (SA) and Strategic Environmental Assessment Report, including addendum and appendices</b></li> <li>• <b>Strategic Housing Market Assessment (SHMA)</b></li> <li>• <b>Housing Site Assessments (Volume 1-4)</b></li> <li>• <b>Letter from Inspector</b>  <a href="http://www.basingstoke.gov.uk/content/doclib/605.pdf">http://www.basingstoke.gov.uk/content/doclib/605.pdf</a></li> <li>• <b>Edge Analytics – Demographic Analysis and</b></li> </ul>

	<p><b>Forecasts (June 2013) and Addendum (March 2014)</b></p> <ul style="list-style-type: none"> <li>• <b>Employment Land Review (February 2014)</b></li> <li>• <b>Economic Master Plan for Basingstoke 2033</b></li> <li>• <b>Enterprise M3 Working for a Smarter Future: Strategic Economic Plan 2014-2020 (March 2014)</b></li> </ul>
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## **SUMMARY AND RECOMMENDATION**

### **1 This Report**

- 1.1 The Inspector appointed to examine the Submission Local Plan held an Exploratory Meeting on 11 December 2014 to address his initial concerns. The Inspector wrote to the council on 19 December 2014 setting out additional work required in order to progress the Local Plan. Cabinet agreed in January 2015 that 850 be used as the basis for further work, representing the objectively assessed housing need ('policy-off') figure for the borough, and that a range of 450 – 600 be used as the starting point for further work to identify a suitable jobs target.
- 1.2 The report sets out the outcomes of the updated evidence base and explores whether 850 remains a suitable housing target for the Local Plan in the light of any identified policy constraints. The report then moves on to considering the options for accommodating an increased housing figure. It also considers the jobs target further and suggests increasing the upper range to 700.
- 1.3 The report focuses only on the housing provision and employment policies which require additional public consultation, and does not cover all issues raised by the Inspector in his letter of 19 December 2014. Work to address these issues is underway and will be considered as part of the examination process.

### **Recommendation**

- 1.4 It is recommended that the committee:
- i. notes the content of this report, including the conclusions of the updated evidence base and the sustainability appraisal;
  - ii. recommends to Cabinet that 850 dpa be used as both the 'policy-on' housing figure for the updated Submission Local Plan and as the annual housing requirement for use in determining the borough's 5 year land supply position;
  - iii. makes comment to Cabinet on the recommended preferred approach to meet the increased housing target, including the allocation of Hounsome Fields (new Policy SS3.12), and the amended planning policies of the updated Submission Local Plan which will be subject to public consultation in May/June 2015; and
  - iv. recommends to Cabinet that delegated authority be given to the Portfolio Holder for Planning and Infrastructure to approve updates to the supporting text of the Submission Local Plan, which will be subject to public consultation in May/June 2015, and also, to agree further potential updates to the Local Plan during the examination process, if necessary, in response to issues which may be raised by the Inspector. Any such changes would be subject to further consultation following the hearing sessions.

## PRIORITIES, IMPACTS AND RISKS

### Contribution to Council Priorities

This report accords with the council's Budget and Policy Framework and directly supports the Council Plan priorities of:

- *Improving economic vitality*
- *Planning policies that safeguard local distinctiveness*
- *Creating neighbourhoods where people feel safe and want to live.*

### GLOSSARY OF TERMS

Term	Definition
AWE	Atomic Weapons Establishment
DPA	Dwellings per Annum
EPH	Economic, Planning and Housing Committee (replaced P&I OSCOM in summer 2014)
HCC	Hampshire County Council
HRA	Habitats Regulation Assessment
IDP	Infrastructure Delivery Plan
LEP	Local Enterprise Partnership
LPA	Local Planning Authority
NPPF	National Planning Policy Framework
OAHN	Objectively Assessed Housing Need
PPG	Planning Practice Guidance
Policy off	The objectively assessed housing need arising in the borough as a result of demographic and socio-economic changes.
Policy on	A constrained objectively assessed housing need figure, derived when policies are applied, for example as a result of environmental constraints.
SEP	Strategic Economic Plan of the Local Enterprise Partnership
SA	Sustainability Appraisal
SHLAA	Strategic Housing Land Availability Assessment
TA	Transport Assessment
WFD	Water Framework Directive – a European Union directive which commits member states to making water bodies of good qualitative and quantitative status

## MAIN CONSIDERATIONS

### 2 Background

2.1 The council submitted its Local Plan on 9 October 2014 for examination and Planning Inspector Mike Fox was appointed by the Secretary of State to carry out an independent investigation into the soundness of the plan, under s.20 of the Planning and Compulsory Purchase Act 2004. The Inspector held an Exploratory Meeting on 11 December 2014 to address his initial concerns, following which, he wrote to the council setting out additional work required in order to progress the Plan. Cabinet agreed in January 2015 that 850 be used as the basis for further work on the Local Plan, representing the objectively

assessed housing need (“policy-off”) figure for the borough and that a range of 450 – 600 be used as the starting point for further work to identify a jobs target for the borough.

- 2.2 Since the council received the letter from the Inspector, work has been undertaken to explore how the additional housing numbers could be delivered. A briefing took place on 29 January 2015 to advise Members of the options available to the council and to receive their views. The comments made by Members at the briefing are summarised in Appendix A.

### **3 Overall Housing Level Constraints**

- 3.1 Officers have, in association with relevant partners and stakeholders, undertaken further assessments to update the evidence base for the Submission Local Plan. This is in order to consider whether there are constraints which indicate that a figure lower than 850 dpa would be a more suitable ‘policy –on’ housing figure for the borough. Assessments have focused upon the impact of an increased housing figure on the borough’s water courses and infrastructure provision, as well as wider sustainability impacts. The detailed impacts of housing allocations are considered in section 4.19 of the report.

#### **Water**

- 3.2 An update to the relevant sections of the original water cycle study (2007) for Basingstoke Sewage Treatment Works (STW) has been undertaken by the Environment Agency (EA) to assess the potential water quality impacts of 850 dpa over the plan period (2011- 2029). The EA’s summary of the outcomes of the additional modelling work is provided in Appendix B to this report.
- 3.3 The impacts of increases in treated effluent from Basingstoke Sewage Treatment Works on Ammonia, Biological Oxygen Demand (BOD - a proxy for Dissolved Oxygen) and phosphate levels were assessed in line with the requirement of the Water Framework Directive (WFD) which states that there should be no deterioration in the class of any element. The EA guidance for water quality planning ensures this by limiting in stream deterioration to 10% from its baseline when assessing impacts downstream from discharges.
- 3.4 The modelling concluded that the provision of 850 dpa at Basingstoke can be delivered without causing a significant level of deterioration in water quality in the river Loddon for Ammonia and BOD. Although, there would potentially be greater than 10% deterioration in phosphate concentrations in the river by 2020, the EA has confirmed that this can be addressed through a tighter consent regime at Basingstoke STW. There would not be any deterioration in WFD class status. The impact of increased housing provision to 850 dpa is therefore deemed to be acceptable by the EA and they have raised no soundness issues in relation to the Submission Local Plan or the proposed higher housing figures as a result. The EA continue to recommend that annual environmental monitoring is undertaken to ensure that there is no deterioration in WFD status, in line with Draft Policy EM6: Water Quality of the Submission Local Plan.
- 3.5 In response to the Inspector’s comments, the EA is also currently revisiting the position with regards to the impact of the Submission Local Plan on the river Test. Any updated information will be made available in due course.

- 3.6 Officers note that the potential deterioration of water quality arising from an increase in housing in the Basingstoke area which is a concern. A deterioration is also forecast with the lower housing figure of 748, but later in the plan period. However, as there is no forecast change in WFD class status, this does not represent a constraint which would justify reducing the housing requirement. Tighter consents can be processed by the EA as regulator to avoid deterioration over 10%, and this is deemed technically feasible. Additionally, the policy requirement will ensure that the water quality is monitored closely on a regular basis.

### **Sewerage Infrastructure**

- 3.7 Officers have engaged with Southern Water and Thames Water in respect of the disposal of wastewater arising from the development of 850 dpa in the borough. Both companies have expressed the view that they are able to treat wastewater resulting from this quantum of development, taking into account their environmental licences in place with the EA. Should these licences be tightened in the future, then further upgrades would be necessary at the relevant treatment works to accommodate this. It should be noted that Thames Water has recently undertaken upgrades to the Basingstoke STW, and will be providing a new sewage sludge treatment plant to provide a more robust treatment process. They are also developing a phosphate reduction trial, to optimise the existing chemical dosing technology and to improve the removal of phosphorus from the river. This forms part of a national programme with other water companies and the EA to assess phosphate reduction technology.

### **Transport**

- 3.8 In light of the potential requirement to allocate additional sites as a result of a higher housing figure, Parsons Brinckerhoff (PB) were commissioned to undertake an update to the Transport Assessment (TA), to consider the associated highways impacts and any additional mitigation that may be required. This work builds upon the previous consideration of combinations of sites in the TA, published in 2013, and examines the impact of allocating a range of further sites around Basingstoke town, in addition to the option of accommodating further growth in a number of settlements across the borough. The updated TA (which is summarised in Appendix C and provided in draft in the Member Group Rooms) takes into account additional housing sites that have been granted planning permission since the TA was previously undertaken. It also considers traffic arising as a result of the proposed critical care hospital to the south west of the town, and further lorry movements associated with proposed improvements at the Basingstoke STW identified in this report.
- 3.9 Overall, the revised TA shows that the increase in traffic as a result of the additional allocation can be accommodated on the highway network if a range of mitigation measures are introduced. It highlights that the same infrastructure improvements as previously identified are sufficient to mitigate the impact of additional development. It should be noted that the TA is based on a strategic traffic model to provide an overall assessment of impacts of the Local Plan and is not designed to provide junction assessment at a level of detail that would be required for an individual planning application.

## **Other infrastructure**

- 3.10 In order to ensure that additional housing can be served by supporting infrastructure, discussions have taken place with key service providers, including the education authority. The outcomes of this have been factored into the site assessment work, as outlined below. It should be noted that this has not identified any forms of infrastructure that cannot be provided to support a higher number of new homes.

## **Sustainability Appraisal**

- 3.11 For each stage of the Local Plan process, a Sustainability Appraisal (incorporating Strategic Environmental Assessment) has been undertaken to consider the social, environmental and economic implications. These have been made available via the relevant council reports and published as supporting documents at relevant consultation events. An appraisal of the delivery of 850 dpa in the borough has been undertaken as part of the review of the evidence base and this is outlined in Appendix D.
- 3.12 The impacts of the 850 dpa option were compared to other reasonable housing growth options previously considered, namely 400 dpa, 600 dpa, 750 dpa and 1,000 dpa. The appraisal identifies that the 750 dpa and 850 dpa options are the most appropriate when assessing their overall impact against the sustainability objectives whilst, in terms of SA objectives 1 (housing) and 2 (deprivation and social exclusion), 850 dpa is the more effective of the two options, providing more housing to meet the area's needs over the plan period.

## **Conclusion on overall housing levels**

- 3.13 The updated evidence outlined above has indicated that there are no overriding constraints to the delivery of an increased housing figure of 850 dpa. As such, it is recommended that 850 dpa be taken forward as the 'policy-on' figure for the updated Submission Local Plan. Such changes will need to be reflected in updated policies in the Submission Local Plan, most notably the SS policies which deal with the Plan's housing strategy. Recommended policy updates, which will be subject to public consultation in May/June are outlined in Appendix E.

## **4 Housing Delivery Options**

- 4.1 Officers have considered a range of options for delivering the housing requirement of 850dpa, an increase which constitutes 1,836 units (102 x 18 years) over the plan period. These are considered below.

### **Baseline, Brownfield sites and Windfall sites**

- 4.2 The baseline supply of current planning permissions has been updated, as appropriate, as a starting point for the review of housing figures. The land supply position was updated in September 2014 to inform the Submission Local Plan and no significant new permissions have been granted since that time which have not already been accounted for in the general land supply. The one notable exception is 70 units at Worting Farm, Basingstoke, which

gained permission in January 2015. These units can therefore be added to the land supply position. It is important to note that this is a partial update only and that a full review of the land supply position will take place in April following the annual housing monitoring undertaken by the borough council in partnership with Hampshire County Council (HCC). The relevant figures will be updated in the Local Plan prior to consultation in the spring.

- 4.3 A review of urban/brownfield opportunities was also undertaken, in line with the approach outlined in the Submission Local Plan of giving priority to the development of appropriate brownfield sites. Officers suggest that there is potential for approximately 175 additional units to be delivered from this source of supply, a figure which, in line with the Local Plan's current approach, should be discounted by 10% to ensure a suitable level of flexibility. This leads to a figure of approximately 150 additional units. These sites will be added to an updated Strategic Housing Land Availability Assessment (SHLAA) in due course to ensure a complete evidence base to support the examination of the Local Plan. Given the relatively unpredictable nature of brownfield sites, this source of supply will continue to be updated and reviewed as we move towards the consultation and beyond, and figures will be updated accordingly to ensure that the most up to date position is reflected.
- 4.4 The Submission Local Plan includes a small site windfall allowance (sites less than 10 units) of 50 units per annum (which excludes garden land as required by the NPPF). This is in line with the NPPF and is based upon evidence outlined in the SHLAA that clearly illustrates how small sites have consistently become available in the local area. The Plan does not include a large site windfall allowance in order to avoid double counting with sites identified in the SHLAA. Although large sites are, in reality, likely to come forward over the plan period it is considered that any land supply gains from such sites are likely to be offset by the non-delivery of sites in the SHLAA and therefore this approach provides a suitable estimate of supply over the relevant time period. It is therefore not considered suitable to include an additional large site windfall allowance.

### **Density/Reviewing Current Allocations**

- 4.5 The Inspector stated in his letter "in respect of density, he still had a question mark over policy EM10 and he wondered whether this could be tightened up to focus on what a developer would be expected to deliver in the way of 'appropriate housing densities'. Larger sites might need to set their own densities... if densities were too low, more greenfield land would be required."
- 4.6 Although the Inspector considered there may be potential to increase densities on the Plan's large scale allocations, officers have reviewed densities through a series of master-planning exercises and do not believe that there is significant extra capacity to be gained. The average density of the allocations range from 30 to 37 dwellings per hectare, depending on the location of the site. The current capacities and density levels reflect the nature and constraints associated with the specific sites, particularly their edge of settlement location. Increasing densities on these sites may lead to development which is inappropriate to the location and fails to meet the specific criteria of the relevant site policies.

- 4.7 The exception to this position is Manydown (Policy SS3.10) where there is likely to be potential to increase density levels, particularly in the urban centres. The LPA has received correspondence from the Manydown Strategic Project Manager at the borough council suggesting that densities could be increased at the proposed district/neighbourhood centres to accommodate a further 150 units. The current yield of 3,400 over the site assumes a density of approximately 30dph.
- 4.8 However, any increase in density, and therefore the site's yield, needs to be considered in the context of how many units can be delivered on the site during each year of the plan period. The Local Plan assumes a delivery rate of 300 units per annum at Manydown once the site is up and running, a delivery rate which may be considered to be high in the context of the site and the borough. Officers are of the view that this rate should not be increased further and therefore any additional units on the site would, effectively, fall outside the plan period. It is worth noting, however, that whilst a small part of the Manydown allocation, namely Worting Farm, has now received planning permission (see paragraph 4.2.) and therefore can no longer contribute to the overall yield of the Manydown allocation, this can be offset through increased density levels and therefore the Manydown allocation number can suitably remain at 3,400 over the plan period.
- 4.9 It is also worth noting that the correspondence from the Manydown Strategic Project Manager from the borough council suggested to the LPA that additional units could be accommodated at Parcel 6 of the Manydown allocation. The parcel is currently allocated for 300 units, with a policy requirement that limits the yield to this level, unless workable transport mitigation measures can be demonstrated. It has been suggested that a further 600 homes could be delivered through the full development of the parcel which would include extending the southern boundary, principally in the eastern area. However, the highways authority (HCC) has formally objected to the identification of this parcel of land for 300 units. This is on the basis that they consider that the mitigation measures identified in the borough council's TA do not demonstrate that the additional traffic can be accommodated by a junction improvement that can be delivered within the limits of the highway boundary. In light of this un-resolved objection, it is considered to be inappropriate to increase the yield identified for parcel 6 above 300 units at this time.
- 4.10 It is recommended that the current policy wording which refers to a yield of 300 units 'unless workable transport mitigation measures can be demonstrated to support a higher yield' is retained in the policy. This recognises the advice from the borough council's TA that mitigation measures can be introduced to accommodate 300 homes in this location, whilst balancing the concerns expressed by HCC around the scope to improve the Fiveways Junction.
- 4.11 Land to the East of Basingstoke (Policy SS3.9) is currently allocated for approximately 450 units over the plan period. However, the site boundary, as defined on the Policies Map, has capacity for approximately 900 units. Policy SS3.9 states that 'a potential later phase of 450 dwellings may be delivered beyond the plan period'. This position reflects the landowner's (Hampshire

County Council, HCC) operational approach to managing its sites, including the longer term management of its assets.

- 4.12 HCC has been approached again in light of the outcomes of the Exploratory Meeting to ascertain whether their position has changed. The response (provided in Appendix F) states that the County Council intends to continue with its current approach to make only 450 dwellings available in the current plan period up to 2029. They will consider that the site is developable for a potential later phase of 450 dwellings which may be delivered beyond the plan period. As such, no changes are recommended to be made to Policy SS3.9.

### **Contingency**

- 4.13 The Submission Local Plan includes a contingency of approximately 1,090 units. This means that the Plan has identified sources of supply that can deliver approximately 1,090 units more than is needed to meet the housing target of 748 units per annum. Whilst there is no specific national guidance setting out that a contingency is required, the NPPF highlights the need to include a degree of flexibility and resilience in Local Plans to allow for any delays or the non-delivery of sites over the time period envisaged.
- 4.14 The Inspector stated in his letter on the outcomes of the Exploratory Meeting, that, in relation to the options for meeting an increased housing target, “one possible way forward was to include the contingency sites”.
- 4.15 It is considered that the contingency, as it currently stands, is relatively large and has the potential to make a significant contribution to meeting an increased housing target. Whilst the removal of most of the contingency could undermine the ability of the Local Plan to respond to change over time, and the risk associated with this is noted in section 6.2, officers accept the Inspector’s view that the use of a significant proportion of the contingency to meet the housing requirement could be a suitable approach. The use of the contingency is considered further in section 5.

### **Greenfield Allocations**

- 4.16 The borough’s Strategic Housing Land Availability Assessment (SHLAA) identifies a number of Category One greenfield sites, that is, sites classified as being worthy of further consideration through the Local Plan review process. In line with the current evidence base and spatial strategy of the Submission Local Plan (i.e. to focus development at Basingstoke Town with a spread of development at the borough’s larger settlements), when assessing the suitability of further allocations, it was considered that the suitability of Category One sites in the Basingstoke Town area should be reconsidered in the first instance. The following are Category One sites which have not been previously allocated in the Submission Local plan and these are shown on the map in Appendix G:

- Lodge Farm (BAS102)
- Poors Farm (BAS103) / Land at Wildmoor Farm (BAS140)
- Hounsome Fields (BAS133)
- West of Cufaude Lane (BAS139)

4.17 A full site assessment and sustainability appraisal (including SEA) was previously carried out on each of the Category One sites in the SHLAA, the conclusions of which were reported to Members at suitable times during the Local Plan’s development, most notably, a report to Planning and Infrastructure Overview Committee in September 2013. Each site was assessed both individually and in combination with neighbouring sites, against a set of detailed site evaluation criteria which built upon the outcomes of the detailed evidence base developed to inform the Local Plan. This evidence was supported by a Flood Risk Ranking, to consider any flooding issues associated with each site.

4.18 These assessments form part of the Local Plan evidence base and the current versions form part of the Local Plan examination library. The relevant parts of the site assessment work and the sustainability appraisal for the remaining Category One sites around Basingstoke have been placed in each of the group rooms. The assessments/ sustainability appraisals have been revisited to ensure that any new evidence is considered, for example through discussions with infrastructure providers where suitable. Different development options within the above sites have also been looked at. For example, in light of the constraints raised in previous work, smaller development areas within the boundary of the site west of Cufaude Farm (BAS139) were assessed to ensure that all suitable options were considered.

4.19 The evidence base suggests that each of the listed sites have both opportunities and constraints and these are summarised below:

<b>Sites</b>	<b>Opportunities</b>	<b>Constraints</b>
BAS102 – Lodge Farm, Basingstoke	<ul style="list-style-type: none"> <li>• Approx. 650 dwellings</li> <li>• New social and physical infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>• Accessibility</li> <li>• Delivery is dependent on the site to its west (SS3.9 – East of Basingstoke). HCC’s decision to only make land available for 450 dwellings during the plan period impacts on the deliverability of the site</li> <li>• Biodiversity</li> <li>• Landscape capacity</li> <li>• Heritage</li> </ul>
BAS103 – Poors Farm, Basingstoke and BAS140 – Land at Wildwood Cottage and Frog’s Castle Newnham Lane	<ul style="list-style-type: none"> <li>• Approx. 1,050 dwellings</li> <li>• New social and physical infrastructure.</li> </ul>	<ul style="list-style-type: none"> <li>• Accessibility</li> <li>• Sites cannot be delivered in isolation and are dependent on SS3.9 (East of Basingstoke) and BAS102 being developed.</li> <li>• Biodiversity</li> <li>• Landscape capacity</li> <li>• Heritage</li> </ul>
BAS133 – Hounsme Fields, Basingstoke	<ul style="list-style-type: none"> <li>• Approx. 750 dwellings</li> <li>• New social and physical infrastructure.</li> <li>• Development can start early in the plan period</li> </ul>	<ul style="list-style-type: none"> <li>• Landscape capacity</li> <li>• Requires new sewerage infrastructure</li> </ul>
BAS139 – land west of Upper	<ul style="list-style-type: none"> <li>• Approx. 200 - 400 dwellings</li> </ul>	<ul style="list-style-type: none"> <li>• Accessibility</li> <li>• Site cannot be delivered in</li> </ul>

Cufaude Farm, Basingstoke	<ul style="list-style-type: none"> <li>• Provision of new social and physical infrastructure</li> </ul>	<p>isolation and is dependent on SS3.8 (Upper Cufaude Farm).</p> <ul style="list-style-type: none"> <li>• The site could not contribute to the borough's 5 year land supply</li> <li>• Drainage</li> <li>• Landscape and rural character</li> </ul>
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- 4.20 The site assessment/sustainability appraisal process indicates that the most suitable of the remaining Category One sites for development is Hounsome Fields. This reflects the contribution that the site can make to the borough's land supply in light of its size and deliverability, and the fact that potentially negative impacts associated with the site can be dealt with through suitable mitigation measures. The conclusions of the site assessment and sustainability appraisal for Hounsome Fields are outlined in appendix D. The remaining Category One sites each have significant constraints, primarily highway related in terms of the land west of Cufaude Farm, and deliverability related for the larger sites to the east within the plan period. A proposed site allocation policy for Hounsome Fields (new policy SS3.12) is outlined in Appendix E and this has also been subject to a sustainability appraisal (see Appendix D).
- 4.21 In terms of highway impact, the updated TA concludes that the junctions associated with an allocation at Hounsome Fields for 750 homes would have only a minimal impact on traffic flows and would require no mitigation in addition to that already proposed when compared to the TA undertaken to support the sites proposed in the Submission Local Plan (October 2014).
- 4.22 The allocation of Hounsome Fields, would also mean that policy updates would be required to Policy SS3.11: Basingstoke Golf Course and these are also outlined in Appendix E. Such amendments would ensure that access requirements for the two sites are co-ordinated i.e. access points are provided in conjunction with one another and to ensure that both sites can be fully accessed from the A30. It should be noted that reference has also been made in the proposed policy for Hounsome Fields to ensure that provision is made for an access point to land to the north, in the event that development takes place within the wider Manydown area in the future.
- 4.23 In respect of funding for transport schemes, Members will be aware that the Enterprise M3 LEP recently announced additional funding to benefit a number of key locations in the LEP area. This includes improvements to the Brighton Hill roundabout on the A30, for implementation from 2018/19. This will assist in addressing existing congestion issues associated with the A30 and ensure the delivery of homes to the south west of the town. This complements recent announcements to improve the Winchester Road and Thornycroft roundabouts, in addition to schemes to address congestion issues on the A33 and the A340. Further bids have been made to secure LEP funding to improve other junctions on the A30, including Kempshott roundabout and Wallop Drive / Sainsburys roundabout, in addition to the provision of Chineham railway station.
- 4.24 Engagement with the water companies has indicated that, in line with normal practice and if allocated, it would be necessary for the landowners/developers of the Hounsome Fields site to engage with them to develop proposals to connect the site to the sewerage network. This is likely to require the use of

the relevant catchment model in order to scope the details of any network upgrades required. Water companies have a statutory obligation to serve new development and will plan investment through the five yearly price review process, and through collaboration with developers and planning authorities at the planning application stage. This is considered to be the normal sequence of events for the delivery of sewerage infrastructure to serve new development.

- 4.25 In terms of education provision, HCC, as education authority, have stated that Hounsome Fields would need to include a three form entry primary school, replacing the requirement for a two form entry school within the Golf Course site. This reflects the likely phasing of the sites (with Hounsome Fields being delivered in advance of the Golf Course), and the need to ensure that the school site is provided as a part of the first of these two large sites to be delivered. This has been reflected in the relevant site policies, and the IDP. An updated IDP schedule is included in Appendix H, which incorporates other forms of infrastructure required to support development at Hounsome Fields, in addition to other minor amendments to reflect up-to-date information from service providers in the borough.
- 4.26 A Habitats Regulations Screening Assessment, which looks at the impacts of the plan on sites of European nature conservation importance, forms part of the evidence base for the Submission Local Plan. The allocation of Hounsome Fields has been screened and this concluded that there would be no likely significant effects arising on European sites. The Plan contains an adequate policy framework to avoid or adequately mitigate effects on European sites.

### **Neighbourhood planning/ Allocations in settlements**

- 4.27 At the Exploratory Meeting, the Inspector discussed the option of considering a target for neighbourhood planning. The Submission Local Plan already includes a figure of 900 units to be delivered from neighbourhood planning over the plan period. Officers have considered the option of including additional allocations in the settlements listed in Policy SS5: Neighbourhood Planning or, alternatively, increasing the number of homes that the plans for Bramley, Kingsclere, Oakley, Overton and Whitchurch need to deliver.
- 4.28 However, it is considered that such an approach would be contrary to the spirit of neighbourhood planning, the support for which is a key part of the Submission Local Plan. This is particularly relevant given the advanced stage of many of the emerging neighbourhood plans in the borough including Bramley, Oakley, Overton and Whitchurch, two of whom are currently formally consulting on their draft plans. It is possible that some neighbourhood plans may include policies that will ultimately deliver higher housing numbers than the number in Policy SS5. Where this is the case, any additional homes will be taken into account as windfall development through annual monitoring, ultimately increasing the flexibility of the plan.
- 4.29 Officers also considered the potential to allocate a higher number of units to rural areas lying outside of the ones listed in Policy SS5. However, there is currently no evidence to support the delivery of a higher number from this source nor an agreed settlement hierarchy set out within the Submission Local Plan that could be used as the basis for any such increase. Therefore,

officers have concluded that it would not be a robust approach to increase this figure at this stage, in light of the plan's current evidence base. Again, it is possible that some neighbourhood plans may include policies that will ultimately deliver higher housing numbers than the number in Policy SS5. Where this is the case, any additional homes will be taken in to account as windfall development through annual monitoring, ultimately increasing the flexibility of the plan.

4.30 At the Member briefing, officers were asked to revisit the plan's current approach to Tadley. The proximity of the Atomic Weapons Establishment (AWE) has created a significant constraint on further development in the area and the AWE off-site planning group are not supportive of locating further development in and around the town. Whilst the group have, more recently, shown some limited flexibility in terms of small scale developments, reflecting specific site location, their position has not changed with regards to more significant developments. Officers have been involved in detailed discussions with the AWE off-site planning group throughout the preparation of the plan and their position remains unchanged in terms of specific housing allocations. The borough council would not, therefore, be able to provide a robust case to the Inspector that development in Tadley would be suitable or deliverable at this time. Such an approach would fail to meet the tests of soundness against which the plan will be judged.

4.31 It is worth noting that the Submission Local Plan currently contains an element of flexibility regarding development at Tadley through Policy SS7: Nuclear Installations, which allows development where the Off Site Nuclear Emergency Plan can accommodate the needs of the population in the event of an emergency. It is also acknowledged in paragraph 4.64 of the Submission Local Plan that the AWE consultation zones may change over the plan period and this position will be kept under review, with advice being updated accordingly. Policy SS5: Neighbourhood Planning also provides a supportive framework for neighbourhood planning to be undertaken to address relevant issues. The AWE off-site planning group's position will also continue to be monitored and any change in approach would be given full consideration as suitable.

## **5 Conclusions on Updated Housing Strategy and Revised Policies**

5.1 As outlined above, officers have considered the Inspector's comments in relation to housing supply and the results of this work are outlined in the report. The findings suggest that the housing supply position would be amended as shown in the following table. Prior to the public consultation exercise, this table will be updated with 2014/15 completion and permissions data.

<b>HOUSING LAND SUPPLY</b>	<b>Submission Version</b>		<b>Updated Feb 2015</b>	
Number of homes required to be built	<b>748 dpa</b>	<b>13,464</b>	<b>850dpa</b>	<b>15,300</b>
Housing built (completions in 2011-14)	1,527		1,527	
Residual requirement		11,937		13,773
Sites with Planning Permission	2,465		2,535	
Small site Windfall (10 or less)	600		600	
Urban/brownfield opportunities (in SHLAA)	2,685		2,835	
Regeneration	200		200	
<b>Total supply</b>		5,950		6,170
Remaining supply to be found		5,987		7,603
Neighbourhood Planning	900		900	
Greenfield allocations	6,180		6,930	
Neighbourhood Planning and greenfield allocations total		7,080		7,830
<b>Total supply including Neighbourhood Planning and greenfield allocations</b>	<b>14,557</b>		<b>15,607</b>	
Remaining Contingency	1,093		227	

5.2 The table shows the inclusion of three additional brownfield/urban sites in the SHLAA, totalling an additional 150 units, and the inclusion of a new greenfield allocation of 750 units at Housome Fields. It is considered that this approach is acceptable in relation to environmental and infrastructure constraints, as set out in this report. The approach reduces the contingency to approximately 220 homes and the risks associated with this are outlined in section 6.2.

5.3 As a result of the recommended changes outlined above, and as referred to earlier in the report, a number of changes are required to the current draft policies of the Submission Local Plan. Proposed wording updates and a new site policy for Housome Fields are outlined in Appendix E.

### **Economic Growth Policy**

5.4 Councillors will recall that the Inspector requested consideration of inclusion of an employment target or range, based on the evidence the council already had, to give some direction in relation to consistency with the housing number. Cabinet agreed in January that a range of 450-600 be used as the starting point for further work to identify a jobs target for the borough.

5.5 The Enterprise M3 Strategic Economic Plan (SEP) contains the following high-level aims (to be achieved by 2020):

- To increase GVA per capita to 25% above the national average through increased productivity and a focus on high value sectors

- To increase the employment rate from 77.4% to 80%, creating 52,000 new jobs
- To add 1,400 businesses annually to the area.

5.6 These aims apply across the Enterprise M3 area and no geographically specific targets were set in the SEP. Officers note that application of the same annual job growth rate (just less than 1%) of the LEP target, would suggest an annual figure for the borough of 697 jobs per annum.

5.7 As requested at the January meeting of EPH, officers have engaged with the Local Enterprise Partnership to work towards synergy between the topics of housing and employment numbers. EM3 have responded that they would be broadly supportive of the approach outlined in this report, although are not able to comment on the specific figures included within the plan as they have not undertaken their own modelling at this geographic level. They added that “Basingstoke has been identified as one of the ‘Growth Towns’ within the Enterprise M3 area, meaning that it is one of four towns which significantly drive economic growth within the area. Substantial investment has already been directed here within the first two tranches of Growth Deal funding, forming a ‘Growth Package’ for Basingstoke which aims to promote further economic growth.”

5.8 Additional work will be required regarding the relationship with the jobs target range and housing provision in preparation for the examination. This relationship is by no means straight forward and is affected by variables such as economic activity rates, unemployment rates, the level of in and out-commuting, the type of jobs available relative to skills in the resident workforce, etc. There will also need to be additional work undertaken to explore the impact of any proposed increased housing provision in neighbouring boroughs, not already taken into account, which may impact on in-commuting into the borough

5.9 Officers suggest that a higher figure of 700, which is broadly consistent with the EM3 job growth target be used as the higher end of the range. A range of between 450-700 (8,100-12,600 in the plan period) is based on available evidence, i.e, the Edge Analytics demographic modelling work , past trends in job creation and the overall job growth target set out in the SEP. Updates have been made to Policy EP1(Economic Growth and Investment), to reflect this position, as shown in Appendix E.

### **Infrastructure Delivery Plan**

5.10 As noted in paragraph 4.25, the IDP has been updated to reflect the proposed allocation of Hounsome Fields. This is attached to this report as Appendix H. This appendix also recognises that funding has been identified for infrastructure provision, either from the LEP or through section 106 agreements secured as a part of recent planning permissions in addition to other updates highlighted by service providers.

### **Community Infrastructure Levy**

5.11 In light of the proposed allocation of a further site for inclusion in the Local Plan outlined in this report, in addition to the associated infrastructure (such

as school provision) and changes in densities / yields, it will be necessary to undertake further viability testing. This is required to ensure that a future Community Infrastructure Levy (CIL) is based on the forms of development to be provided in the borough.

- 5.12 Accordingly, it is proposed that consultants are re-commissioned to undertake this work, building upon that previously presented to Members in September 2014. This will ensure that the Borough Council has a comprehensive evidence base to support the Local Plan at examination and at a separate future CIL examination. It will also provide an opportunity to respond to issues raised during the recent consultation on CIL. For information, this resulted in 36 individual responses, which raised a number of issues, including concerns that specific costs associated with development are not included or have been under-estimated, e.g. marketing / finance / build costs; and that benchmark land values are not representative.
- 5.13 This additional work may result in recommendations to amend the proposed CIL charges and / or additional charging areas across the borough. Should this be the case, it will be necessary to report this to Members in June / July, followed by a further round of public consultation in September / October. Subsequently, the Council's Draft CIL Charging Schedule will be submitted for examination. This is likely to take place in early 2016, and it is intended that this would be considered by the same Inspector who will be examining the soundness of the Local Plan.

### **Consultation and Next Steps**

- 5.14 The proposed changes to the policies of the submission Local Plan will be considered by Full Council on 26 March. These changes, in addition to minor updates to the supporting text of the Submission Local Plan to be agreed by the Portfolio Holder, will be subject to a focused public consultation for six weeks during May/June 2015. Any comments submitted through the consultation will be passed to Inspector Mike Fox and will be given due consideration through the examination process, alongside representations already made.
- 5.15 A pre-hearing meeting has been programmed to take place on 21 July 2015 and this will be a public meeting which will set the agenda for the hearing sessions due to take place in October/November 2015. Further changes to the Plan are likely to be made during the course of the examination in response to issues raised by the Inspector and in light of discussions held. As such, it is likely that a further round of consultation will take place on proposed modifications to the Plan, prior to any formal adoption in early 2016.

## **6 Corporate Implications**

### **Financial Implications**

- 6.1 The cost of the consultation exercise will be covered by existing Local Plan budgets.

### **Risk Issues**

- 6.2 The main risks arising from this report relate to the ability of the Council to set a housing figure which will be found "sound" at examination. The Inspector has made it clear that he considered the figure of 748 dpa unsound. This

report recommends the adoption of 850 as the “policy-on” housing figure for the local plan and sets out the components of housing supply figure. If the plan is found “unsound” at examination, the council would need to start the Local Plan process again, with a new evidence base, which would delay adoption of a Local Plan by several years.

- 6.3 The proposed approach for accommodating the increase in the housing figure results in a much reduced contingency figure for the Local Plan. This approach reduces the ability of the plan to respond to change over time, for example if the delivery of a large housing allocation was delayed. There is, therefore, a risk that this approach may lead to the plan either being found “unsound” or requiring an immediate review upon adoption.

#### 6.4 **HR Issues**

None arising directly from this report.

#### **Equalities**

- 6.5 An Equalities Impact Assessment (April 2014) has been undertaken in respect of the Submission Local Plan. This identified no negative impacts on any of the groups considered.

#### **Legal Implications**

- 6.6 There are legal implications in that challenges can be made to any decision made by the Council if the decision is neither reasonable nor proportionate.

#### **Portfolio Holder comment**

- 6.7 The Portfolio Holder for Planning and Infrastructure is seeking the views of committee on the report, including the suggested revised “policy-on” housing target of 850dpa, and the approach to meeting the revised housing requirement, including the allocation of Hounsme Fields (new Policy SS3.12), to help inform the decisions of Cabinet on the 17 March 2015.

#### **Communication and Consultation**

- 6.8 The proposed changes to the policies of the Submission Local Plan, in addition to updates to the supporting text, will be subject to a focused public consultation for six weeks during May/June 2015.

### **7 Conclusion**

- 7.1 This report has considered the best way to provide for an increased housing figure in the Submission Local Plan, given the Inspector’s comments that 748 is likely to be found “unsound”. Officers have tested the impact of an annual housing requirement of 850 against constraints and concluded that this level of housing can be accommodated. Officers have examined a range of options for providing the additional housing requirement, and this report recommends minor increases to the brownfield component of land supply and the allocation of Hounsme Fields to accommodate 750 units. The remainder of the increased housing number will be met through a significant reduction in the housing supply contingency.
- 7.2 Subject to the views of EPH, Cabinet and Full Council, the proposed changes to the Submission Local Plan will be subject to public consultation in

May/June 2015. Formal hearings are due to take place in October/November 2015, following a pre-hearing meeting on 21<sup>st</sup> July 2015.