



*Basingstoke
and Deane*



Basingstoke and Deane Borough Council

Submission Local Plan 2011 to 2029

Housing Topic Paper

Mid Examination Consultation Version

**Proposed Modifications to the Submission
Local Plan**

May 2015

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1.0 What are the Basingstoke and Deane Borough Local Plan Topic Papers?

- 1.1 A series of topic papers have been produced to accompany the Basingstoke and Deane Submission Local Plan 2011-2029. The topic papers provide an understanding of the latest evidence, wider context, and reasoning for the proposed policy approach. All topic papers are living drafts and include a 'snapshot' of the evidence at the time of publication.
- 1.2 Basingstoke and Deane Borough Council submitted its Local Plan for examination in October 2014 and the Local Plan remains at examination. An Exploratory Meeting on the Submission Local Plan was held by the appointed Inspector on 11 December 2014, following which he wrote to the council setting out additional work that was required to progress the Local Plan. This work was completed by the borough council and has resulted in a number of proposed modifications or changes to the Submission Local Plan. These principally include:
- Increasing the housing number from 748 to 850 dwellings per annum;
 - The inclusion of a new greenfield allocation of approximately 750 homes at Hounsome Fields in south-west Basingstoke;
 - Inclusion of an employment target for the borough.
- 1.4 In light of these changes, the borough council is undertaking a mid-examination consultation on the proposed modifications to the Submission Local Plan. The purpose of the consultation, which runs for six weeks from Monday 11 May 2015 to 4pm on Monday 22 June 2015, is to seek views on the proposed modifications in advance of the Local Plan hearing that the council expects to take place in Autumn 2015.
- 1.5 This is an updated version of the Housing Topic Paper following further work completed following the Inspector's Exploratory Meeting. It forms part of the updated evidence base to accompany the consultation on the proposed modifications to the Submission Local Plan, May 2015.

2.0 Introduction

- 2.1 The purpose of this topic paper is:
- to support the housing strategy contained within the Local Plan 2011-2029;
 - to discuss both housing and the economy, recognising their important interconnection;
 - to bring together existing key information and data from the evidence base and other published sources; and
 - to provide new information including an up to date housing trajectory to meet the housing target, and an updated affordable housing needs assessment.
- 2.2 The paper is structured as follows:
- Chapter 3 - sets out the relevant national, regional and local policy context for housing issues;
 - Chapter 4 - considers the background information relating to the proposed quantum of housing development set out in the Local Plan;
 - Chapter 5 - sets out details of the spatial strategy;
 - Chapter 6 – sets out the sources of supply which will meet the requirement;
 - Chapter 7 – sets out the affordable housing strategy;
 - Chapter 8 - sets out delivery partners and monitoring.
- 2.3 This paper should to be read in conjunction with the updated Strategic Housing Market Assessment (SHMA) 2015 (incorporating Edge Analytics Report), the Strategic Housing Land Availability Assessment (SHLAA) (version 9, 2014) and addendum (2015), the updated Sustainability Appraisal (SA), and the Statement of Consultation which all form part of the evidence base and are summarised within this topic paper.

3.0 Policy Context

National Policy

- 3.1 A full assessment of how the evidence base, housing strategy and housing policies comply with National Planning Policy Framework and guidance is set out in appendix A.

National Planning Policy Framework (NPPF)

- 3.2 The NPPF was published in March 2012 and provides the national planning policy for housing development. The overarching theme is the need to secure sustainable development having regard to economic, social and environmental factors. It includes a number of core planning principles which are relevant to the supply of good quality housing including that planning should:
- be genuinely plan-led setting out a positive vision for the future;
 - find ways to enhance and improve the places in which people live; proactively drive and support sustainable economic development to deliver the homes, business, infrastructure and thriving local places that are needed. This includes responding positively to opportunities for growth and setting out a clear strategy for allocating sufficient land which is suitable for development;
 - always seek a high quality design and a good standard of amenity for all existing and future occupants of land and buildings;
 - take account of the roles and character of different areas, promoting the vitality of urban areas;
 - contribute to conserving and enhancing the natural environment and that allocations of land should prefer land of lesser environmental value; encourage the effective use of land by reusing land that has been previously developed (brownfield land);
 - promote mixed use development;
 - actively manage patterns of growth to make the fullest possible use of public transport, walking and cycling and focus significant development in locations which are or can be made sustainable.
- 3.3 The NPPF provides policy guidance on the supply of housing. It states in order to boost the supply of housing local planning authorities should ensure that their local plan meets the full objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with the policies set out in the NPPF (further guidance about how this should be calculated is set out in the PPG). Local planning authorities should identify key sites which are critical to the delivery of the housing strategy over the plan period. This includes identifying a supply of specific deliverable sites sufficient to provide five years' worth of housing against their housing requirements with an additional buffer of 5% or 20%. For years 6-10 local planning authorities should identify specific developable sites or broad location, and where possible for years 11-15.

- 3.4 Importantly the NPPF states that relevant policies of the local plan should not be considered up-to-date if the local planning authority cannot demonstrate a five year supply of deliverable housing sites. If there is not a five year housing supply, then planning applications for new dwellings should be considered in the context of the 'presumption in favour of sustainable development'.
- 3.5 The NPPF states that in order to deliver a wide choice of high quality homes, widen opportunities for home ownership and create sustainable, inclusive and mixed communities, local planning authorities should:
- plan for a mix of housing based on current and future demographic trends, market trends and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes);
 - identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand; and
 - where they have identified that affordable housing is needed, set policies for meeting this need on site, unless off-site provision or a financial contribution of broadly equivalent value can be robustly justified (for example to improve or make more effective use of the existing housing stock) and the agreed approach contributes to the objective of creating mixed and balanced communities. Such policies should be sufficiently flexible to take account of changing market conditions over time.
- 3.6 Local planning authorities should identify and bring back into residential use empty housing and buildings in line with local housing and empty homes strategies and, where appropriate, acquire properties under compulsory purchase powers. They should normally approve planning applications for change to residential use and any associated development from commercial buildings (currently in the B use classes) where there is an identified need for additional housing, provided that there are not strong economic reasons why such development would be inappropriate.
- 3.7 Paragraph 159 of the NPPF states that local authorities need to have a proportionate evidence base and a clear understanding of housing needs in their area. This includes preparing a Strategic Housing Market Assessment (SHMA) to assess full housing needs, including working with neighbouring authorities where housing market areas cross administrative boundaries. SHMAs should identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period.
- 3.8 The NPPF also requires the preparation of a Strategic Housing Land Availability Assessment (SHLAA) to establish realistic assumptions about the availability, suitability and the likely economic viability of land to meet the identified need for housing over the plan period.

Planning Practice Guidance (PPG) (2014)

- 3.9 The PPG supports the NPPF and provides further detail on how the framework should be implemented. It includes a number of elements relating to housing including setting out the methodology for the assessment of housing need and the assessment of land availability for housing.
- 3.10 The guidance sets out how Councils should assess their housing need. It recognises that establishing the future housing need is not an exact science, but requires that the starting point should be the Government's demographic and household projections. The Guidance states that wherever possible, councils should use the latest available information, and signposts the 2012-37 Household Projections (published in February 2015) as the most up-to-date estimate of future household growth.
- 3.11 However, the PPG recognises that these projections may require adjustment to reflect factors affecting local demography and household formation rates which are not captured in past trends (for example, evidence that past household formation rates have been constrained by under-supply or worsening affordability). The guidance advocates the use of sensitivity testing specific to local circumstances based on alternative assumptions in relation to the underlying demographic projections and household formation rates.
- 3.12 The guidance also recognises the importance of thinking holistically about housing and job numbers, and requires that plan makers should consider the relationship between the likely change in job numbers and the growth of the working age population in the housing market area. It identifies that where the labour supply is less than the projected job growth, this could result in unsustainable commuting patterns and potentially have a harmful impact upon local businesses.
- 3.13 The PPG also sets out the methodology for ensuring that the needs for all types of housing are addressed, and for calculating affordable need. It highlights that plan makers should consider whether the overall housing figure would be capable of meeting affordable housing needs, given the probable percentage of affordable housing to be delivered by market-led developments.

Other influences

South East Plan (Regional Spatial Strategy)

- 3.14 The Secretary of State revoked the South East Plan (SEP) on 25 March 2013, with the exception of the Thames Basin Heath Special Protection Area Policy. With this policy exception, the SEP therefore no longer forms part of the Development Plan for the area.

The Enterprise M3 Strategic Economic Plan 2014-2020

- 3.15 The Strategic Economic Plan (SEP) for the Enterprise M3 area was submitted to Government on 31 March 2014. This set out priorities and delivery plans for economic prosperity, including a proposal for the local Growth Fund.
- 3.16 The overall vision for the plan is for the Enterprise M3 area to become “the premier location in the country for enterprise and economic growth, balanced with an excellent environment and quality of life.”
- 3.17 There are three area-wide key targets:
- GVA: to increase GVA per head from 18% to 25% above the national average through increased productivity and a focus on increases in high value sectors
 - Business birth and survival: 1,400 businesses annually to the area
 - Jobs: 52,000 additional people in work through an increase in the employment rate from 77.4% to 80%.
- 3.18 Investment will be channeled through the following:
- Developing an Enterprise M3 Sci-Tech Corridor: which will focus on the following key sectors: ICT and digital media, pharmaceuticals, aerospace and defence, and professional and business services.
- This will focus on the following:
- Growth Towns: comprising of Woking, Guildford, Farnborough and Basingstoke. These are key to driving economic growth with over one third of jobs and GVA growth located here
 - Step-up towns: comprising of Staines upon Thames, Camberley, Aldershot, Whitehill and Bordon and Andover. These are locations where investment is required to improve their economic contribution to the area.
- 3.19 Unlocking housing is a key aspiration within the SEP. There is an objective to accelerate the delivery of housing by up to 25% above the baseline (2003-13), which would deliver 11,500 new homes more quickly over the SEP area over the next 10 years. Acceleration of delivery would be achieved without an increase in Local Plan targets.

Council Plan and Strategies

Council Plan (2013-2017)

- 3.20 The Basingstoke and Deane Council Plan sets out the following strategic priorities that are relevant to the topic paper.
- Improving economic vitality – ‘Encourage businesses to locate in Basingstoke by regenerating Basing View and other key business areas, creating a modern image and more jobs’.

- Planning policies that safeguard local distinctiveness – ‘Deliver a Local Plan that ensures well planned development, enhances local character and meets local needs with the number and mix of new homes’.

3.21 The Leader’s Foreword also states - “Our economy is vital, so we will revitalise and renew key parts of the borough, ensuring they continue to provide the jobs we need.....At the same time, we will support the regeneration of neighbourhoods and the building of new affordable homes to ensure everyone has the chance of a home where they want to live”.

Basingstoke and Deane Borough Council’s Housing and Homelessness Strategy 2013-18

3.22 The Housing and Homelessness Strategy sets out the Council’s aims to meet housing need in the borough over the period 2013-2018. The strategy sets out five aims for the strategy to deliver (set out below):

- 1.1 Maximise supply of affordable housing;
- 1.2 Shape supply of new housing to target those people in need;
- 1.3 Make best use of existing resources;
- 1.4 Prevent homelessness; and
- 1.5 Support vulnerable people.

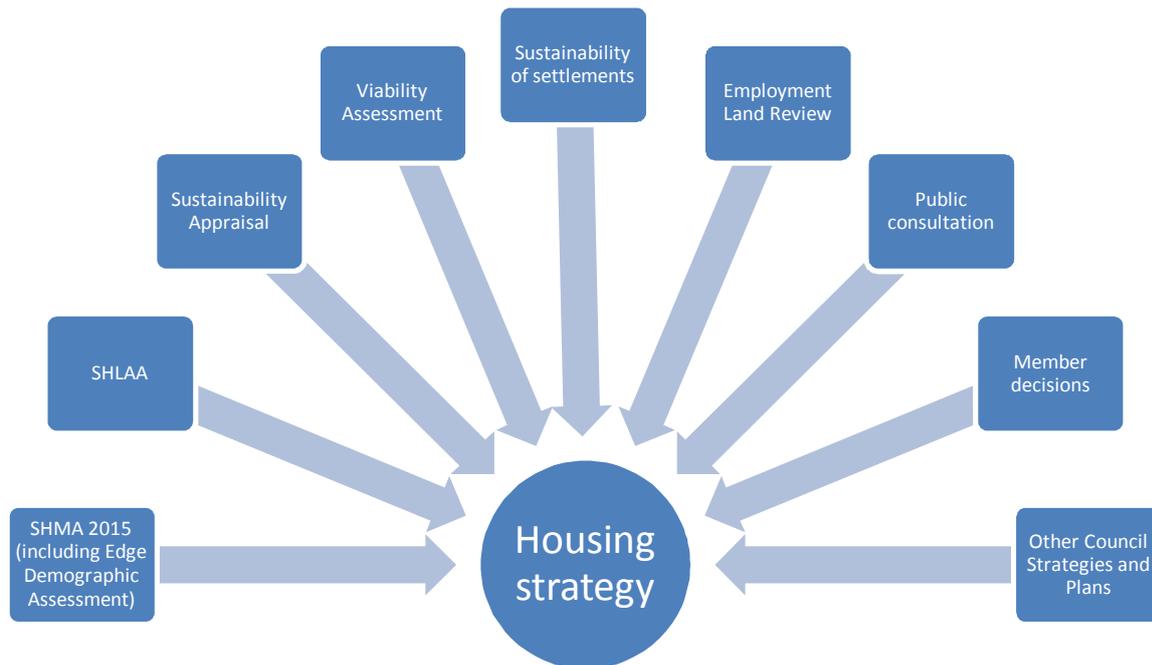
Basingstoke and Deane Economic Master Plan

3.23 An economic masterplan for Basingstoke 2033, has been drawn up, setting out an ambitious vision for the next 20 years to ensure a thriving future for all those who live and work in the borough. It is being used by the council to attract funding to the area from the government and the Local Enterprise Partnership Enterprise M3, and to encourage companies to bring new jobs to the borough. At a more local level it will also be used for joint planning of investment needs with Hampshire County Council and other partners, such as housing associations.

4.0 Objectively Assessed Housing Need

Evidence

- 4.1 A number of key studies and documents form the background evidence for the housing strategy in the Local Plan, identifying the key issues that need to be addressed and shaping the resulting policy approach. These are illustrated in the following diagram and are discussed further in this section.



Objectively Assessed Housing Need: Overall Quantum

Basingstoke and Deane Borough Council Updated Strategic Housing Market Assessment 2015 (SHMA) (encompassing the Edge Analytics Demographic Report 2013 as amended 2014 and 2015)

Background to assessment

- 4.2 The Council has published an updated Strategic Housing Market Assessment (SHMA, 2015) based on additional information requested by the Inspector, updated information and new population and household projections.
- 4.3 The SHMA has been undertaken in line with standard methodology and considers the dynamics of the housing market and economy within the borough, defining the housing market area, assessing population and economic trends and developing a number of scenarios for future housing development with information around labour supply.
- 4.4 The 2014 SHMA (used to inform the Submission Local Plan) was informed by two independent assessments of future housing need undertaken by Edge Analytics. The initial report was published in June 2013, and this was updated in March 2014 following the publication of further 2011 Census data (data on the economic activity rates by age and sex), and in response to concerns expressed relating to jobs growth in some representations received on the Pre-Submission Local Plan 2011-2029. This further work looked at the resultant labour supply that each of the demographic scenarios would support using this new data.
- 4.5 Since the council's exploratory meeting with the Inspector in December 2014, further work has been undertaken by Edge Analytics to take account of the latest population and household formation projections which were not available when the housing figure was agreed by Council in March 2015. It serves to test the 850dpa figure against the latest evidence and has also been used to inform the borough's updated SHMA (2015). The update also assessed scenarios based on suitable job figures, as a result of the inclusion of a jobs target range of 450-700 new jobs per annum in policy EP1.

Housing need based upon demographic projections

- 4.6 The 2015 Edge update report takes into account the Government's most recent 2012-based sub-national population projections (SNPP) and 2012-based household projections (as advocated by the PPG) and tests a number of scenarios to identify the likely outcomes in terms of population, households, dwellings and jobs growth. This is a 'policy off' assessment of future housing requirements, to assess future housing requirements if it was not constrained by any policy restrictions.
- 4.7 To align with the plan period, all scenarios were run from a 2011 base year with a 2029 horizon. The scenarios were modeled through a

demographic model (POPGROUP) which is widely used by Government and local authorities across the country.

- 4.8 The 2015 Edge update report identifies a housing requirement based on demographic modeling in a range between 813-936 dwellings per annum. This compares with the previously published narrowed housing requirement range of 807-915, which was considered by Council in January-March 2015. The variations between the top and bottom of the projected ranges are particularly influenced by assumptions on future levels of migration to and from the borough.
- 4.9 Of the scenarios developed in the report, it is considered that the migration-led scenario continuing 10 years past trends of internal migration (migration to Basingstoke and Deane from within the UK), and the last 5 years evidence of international migration (migration to Basingstoke and Deane from overseas) is likely to be a robust basis for future projections (PG-10yrs-5yrs). Given the prevailing economic conditions over the last five years, it is considered that the longer timeframe is appropriate for considering internal migration levels. However, given how the changes to international migration following EU expansion in 2004 (and the fact that data is from 2012), the five year horizon is most appropriate for considering immigration. This most probable scenario results in an annual dwelling requirement at the lower end of the range. Further explanation about the different scenarios is set out in Sections 6 and 7 of the March 2014 Edge report.
- 4.10 The 2015 Edge update report compares the outcome of the new assessment with the housing requirements that would have been generated using the headship rates (propensity to form households from which dwelling growth is estimated) from CLG's 2008-based and 2011-based assumptions (and the average of the two), that were used to inform the 2014 SHMA. Although guidance is clear that Councils should use the most recent data, the previous work acts as a sense check for the most up-to-date outcomes. The new 2012 based household projections produce household and dwelling growth outcomes that are generally slightly lower than the average of the previous 2008 and 2011 household growth outcomes.
- 4.11 The proposed housing number of 850 dwellings per annum is in the middle of the range identified by the previous Edge work and also the most up-to-date demographic evidence. The 2015 Edge report compares the housing requirement generated by the 2008, 2011 and the new 2012 household formation forecasts. It shows that demographic trend scenario of internal migration based on the last 10 years and international on the last 5 years (PG-10yr-5yr) which helped inform the dpa figure of 850, now gives a dpa of 813. However, a robust housing figure must be seen in the light of economic conditions and to ensure that any housing provision does not restrict the potential for job growth. This issue is discussed below

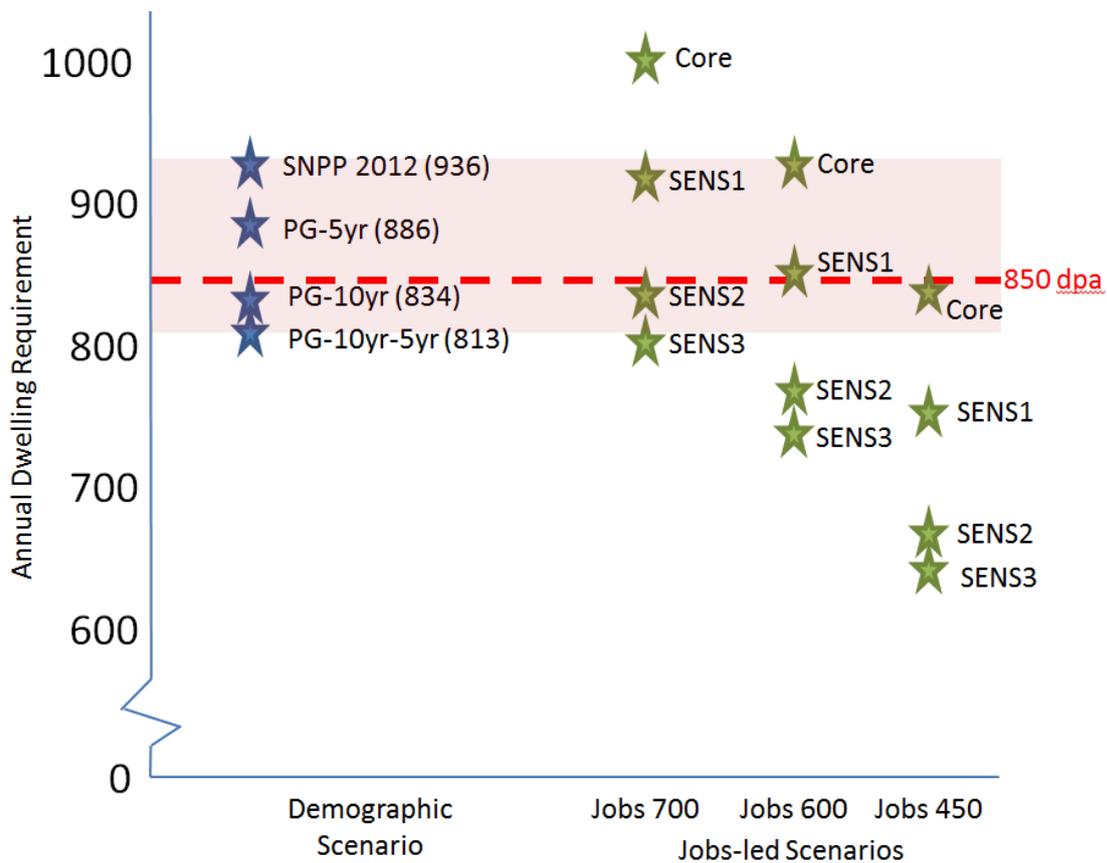
The right level of housing to meet the borough's economic needs

- 4.12 To understand the potential interaction between the housing market and economy it is important to examine whether, in broad terms, the anticipated change in the workforce over time, assuming delivery of the level of housing required based on the demographic projections, is consistent with anticipated levels of employment growth. Following a request from the Inspector to include a jobs target or range in the Local Plan, further work has been undertaken on job growth forecasts and their relationship with housing levels. The full evidence supporting the jobs target is provided in the updated Employment Land Review. This has been informed by the Council Plan and the Local Enterprise Partnership's Economic Strategy.
- 4.13 Revised Local Plan Policy EP1 now sets a target of providing between 450-700 jobs per annum. The 2015 Edge update report therefore tests the housing requirements of providing 450 and 700 jobs per annum (at either end of the range), and 600 jobs (as an approximate midpoint). These scenarios generate an annual housing requirement of between 840 – 1,004 dwellings per annum. These projections are based upon 2011 economic activity rates with alterations to account for changes to the State Pension Age, and to accommodate potential changes that might result from an ageing but healthier population, with the commuting rates remaining constant and unemployment rates incrementally reduced throughout 2014-29.
- 4.14 Three sensitivity scenarios have also been modelled to examine the impact of alternative economic activity rate and commuting ratio assumptions.
- SENS1 – Assumes economic activity rate remains fixed at its 2011 level (with commuting ratio remaining constant)
- SENS2 – Assumes economic activity rate continues to grow in line with the trend from 2001-11 (and commuting ratio remains constant).
- SENS3 – Assumes commuting ratio incrementally reduced by 5% over the forecast period to account for a greater proportion of jobs being taken up by local residents.
- 4.15 These scenarios reduce the dwelling requirement, in some cases quite considerably, showing the sensitivity of these projections to changed inputs. The range based on all the jobs-led scenarios is 650 – 1,004 giving a mid-point of 827. It is therefore suggested that a figure of 850 is a reasonable basis for the objectively assessed housing need for the borough.
- 4.16 There are also other ways in which the labour market can adjust to an increase in demand for labour that does not require an increase in the resident workforce, such as through a reduction in unemployment, a shift away from part time working to full time working and increasing double

jobbing. None of these changes require an increase in resident population and all of them will be stimulated if wage and salary levels increase.

4.17 The relationship between the council’s proposed housing figure and the employment scenarios is illustrated in Figure 1.

Figure 1. Scenarios of housing need in Basingstoke and Deane (stars indicate anticipated annual housing requirement from demographic and jobs-led projections and sensitivity tests) (based upon 2012-based population and household projections)



Meeting current unmet housing need

4.18 In considering the scale of housing to be delivered within the plan period, the council needs to take account of other factors such as market signals (as set out in the NPPF and PPG) and the unmet need for housing within adjacent Housing Market Areas.

4.19 The updated SHMA concludes that the housing requirement does not need to be increased beyond that modelled above as:

- The housing target during the last plan period 1996-2011 was met.

- The SHMA demonstrates that the borough has not experienced any worsening of affordability when compared to neighbouring authorities therefore indicating no justification for increasing the objectively assessed need range to respond to market signals.
- Basingstoke and Deane house prices are among the least expensive in line with Hampshire and South East averages.

4.20 At the time of submitting the Local Plan, no local planning authority had approached Basingstoke and Deane Borough Council to ask if we are able to help meet their housing need (please see the Duty to Cooperate Statement of Compliance). Whilst Test Valley Borough Council did contact all neighbouring authorities during their examination hearings, to ask such authorities to consider the possibility of taking 86 affordable dwellings per annum from Test Valley, this is no longer a live issue and the Inspector for Test Valley BC has concluded that they have complied with requirements under the Duty to Co-operate. There is currently no evidence of a shortfall in the wider area, against objectively assessed need, and therefore there is no additional requirement that needs to be added to the identified target at this time.

Other considerations

4.21 The PPG also requires consideration of whether the housing number would be expected to provide sufficient affordable homes to meet the Council's need. As detailed further in chapter 7 of this report, the proposed requirement for 850 dpa would yield sufficient affordable homes to meet the Borough's needs.

Sustainability Appraisal

4.22 In order to help inform the decision on an appropriate level of housing for the borough, the implications of different housing growth options has been assessed, using a range of growth scenarios between 600-1,000 dwellings per annum. The outcomes of the Sustainability Appraisal (SA) are shown in full at Appendix 9 of the SA.

4.23 In summary, the SA identifies that the options of 750 dpa and 850 dpa best balance the economic, social and environmental objectives of the plan, but that 850 dpa is the most appropriate when assessing the overall impact against the sustainability objectives. As outlined in the SA Report and the conclusions of SA Appendix 9, 850 dpa responds better to meeting the objectively assessed need in the borough. It also presents an appropriate balance between housing and jobs, with housing provision not constraining job growth.

Engagement with local communities and public consultation

- 4.24 The Statement of Consultation (Table 1 of the Statement) provides an overview of public involvement during the development of the Local Plan policies. The key message was that local communities and residents felt that too much development had taken place in the borough over the past 10 years.

Conclusion

- 4.25 The Council has reviewed and revised the scenarios assessed in the Basingstoke and Deane SHMA to identify the objectively assessed need for the borough. This has taken account of the NPPF, PPG guidance and evidence base.
- 4.26 The housing requirement now proposed as a modification to the Submission Local Plan takes account of the following:
- The need to identify objectively assessed housing need and meet those needs. The figure of **850 dpa** falls within the range identified within the SHMA;
 - The need to take account of the latest population and household projections;
 - The resultant labour supply to support economic growth and a likely job growth of between 450-700 net new jobs per annum;
 - The need for affordable housing (as discussed further in chapter 7); and,
 - The high level of housing completions over previous years and the views of local communities and residents.
- 4.27 It is considered that the proposed housing requirement is robust, achievable and deliverable, and is compliant with NPPF/PPG objectives and requirements (see appendix A for compliance tables).

5.0 Spatial Strategy

- 5.1 The Local Plan not only sets out the total housing requirement for the borough but also indicates where the growth will be directed. This has been informed by various parts of the Plan's evidence base including consultation outcomes.

The sustainability of settlements (June 2008)

- 5.2 The Council undertook a study of the sustainability of settlements as part of the evidence base to support the original Core Strategy, assisting and supporting the approach taken to rural areas at that time. The main aims of this study were to:
- Identify the most sustainable settlements which may be suitable for future development;
 - Identify those settlements that have particular local needs such as housing, employment, community or other social facilities etc.;
 - Identify those settlements which are not considered to be sustainable and may therefore be unsuitable for housing or other development in principle;
 - Inform policy development for rural settlements;
 - Consider different policy approaches to meeting identified local needs;
 - Consider the role and function of Settlement Policy Boundaries and alternative policy options.
- 5.3 The paper set out the different options for maintaining or improving the sustainability of rural settlements. This fed into the preparation of the Core Strategy Issues and Options document (January 2008).

Core Strategy Issues and Options

- 5.4 Further detail on this consultation can be found with the Statement of Consultation. However, the key points of relevance to this paper are set out below.
- 5.5 At the Issues and Options stage of the plan's development, there were three key issues identified relating to the location of housing development. These were:
- The approach to existing built up areas
 - The location of greenfield development
 - The approach to greenfield development
- 5.6 For each issue, a number of approaches for achieving the Core Strategy vision and objectives were identified. Appendix 11 of the Sustainability Appraisal sets out the policy context that was relevant at that time and provides justification as to why those approaches identified in the 'Issues and Options' document were included and others rejected.

- 5.7 Appendix 12 of the Sustainability Appraisal demonstrates how the issues and options were progressed and refined to inform the Pre-submission Core Strategy, providing a snapshot in time.

Engagement with local communities and public consultation -
New Homes consultation

- 5.8 The Statement of Consultation (Table 1 of the Statement) provides an overview of the public involvement during the development of the Local Plan policies.

- 5.9 However, the New Homes Consultation is of particular relevance and was based around questions on the provision and distribution of new homes.

The following options regarding housing distribution were given:

- in smaller developments across the whole of Basingstoke and Deane creating extensions to towns and villages
- in small or medium sized development sites on the outskirts of Basingstoke Town
- in one large development on the outskirts of Basingstoke Town

- 5.10 Taking into account the responses, three spatial options were developed based on the provision of some 7,000 to 8,000 new dwellings on greenfield sites over the plan period, taking into account shortlisted SHLAA sites but without consideration of specific sites. The options were tested through SA and were:

- Option 1 – Basingstoke focus for all development
- Option 2 – Basingstoke focus and a spread of development to larger settlements in the borough
- Option 3 – A spread of development to a greater number of settlements in the borough, where they have settlement policy boundaries

Sustainability Appraisal (SA)

- 5.11 The SA (at Appendix 13 - Sustainability Appraisal of the options for the spatial distribution of housing) tested the three different options outlined above and concluded that:

- By concentrating development at Basingstoke (option 1) there are fewer opportunities for new housing in the rural parts of the borough (although smaller scale housing development can be provided through Community Right to Build / Neighbourhood Planning to address specific areas of need, in addition to Rural Exceptions)
- Option 1 would also be less supportive towards existing and new community and commercial enterprises in the rural settlements due to limiting population growth outside of Basingstoke Town. However, Option 1 is more likely to result in a major development area or comprehensive development which may offer benefits in terms of infrastructure provision.

- Option 2 has the fewest potential negative impacts due to its ‘middle-ground’ approach to the distribution of housing. It addresses the main housing need in Basingstoke Town, whilst also supporting economic growth, but also provides some opportunity for new rural housing provision in the larger settlements. By confining new development to the larger settlements it will protect the character of most rural settings, and their landscape setting. Development will also be directed to those rural settlements that already have some local services, employment and public transport provision.
- Option 3 could have potential adverse environmental impacts due to the location of new development sites across rural parts of the borough which may have limited access by public transport and fewer services and facilities within walking/cycling distance. This option could, therefore, result in increased reliance on the car and may result in more in-commuting to Basingstoke for employment purposes. Distribution of strategic development across the borough could potentially have an adverse impact on the character of rural settlements and their setting.

5.12 It was therefore considered that the option of a Basingstoke focus with development spread to the larger settlements was the one which could be delivered and was the most appropriate in light of the reasonable alternatives, evidence base, housing need and other sustainability credentials. This approach could also be complemented by bottom-up planning by local communities through neighbourhood planning.

5.13 Further work has been completed as the plan has progressed, to consider the scope for the larger settlements to accommodate the required development. A number of settlements were selected as a result, namely Basingstoke, Bramley, Kingsclere, Overton, Oakley, Tadley and Whitchurch reflecting:

- The findings of the Sustainability of settlements study,
- The outcomes of the SA work on the suitability of settlements to accommodate different levels of development (Appendix 15),
- Locally identified needs,
- The level of service provision, employment opportunities and accessibility,
- The availability of SHLAA sites,
- The outcomes of the Site Assessment work discussed later in this paper.

5.14 In considering the suitability of settlements to accommodate development, another factor which influenced the distribution is the location of the Atomic Weapons Establishment (AWE) at Tadley and the approach agreed between the affected authorities and the Office for Nuclear Regulation which has resulted in no site allocations within the consultation zones.

Member decisions

- 5.15 A number of key decisions were taken by the Council and Cabinet during the preparation of the Local Plan. The Statement of Consultation tells the story of the Plan's journey and critical decisions about the direction of policy as the Local Plan has evolved.

Conclusion

- 5.16 The distribution reflects the aims of the Local Plan to meet local needs. The Local Plan focuses development at the borough's larger settlements, most notably Basingstoke Town, reflecting sustainability credentials. The spatial distribution takes into account all aspects of the evidence base including the Sustainability Appraisal and also consultations, including responses from town/parish councils regarding growth levels that they felt their local area could accommodate and support. It also gives emphasis to the general view from consultations that Basingstoke should be the focus for major growth with a lesser amount spread across different villages in the borough.
- 5.17 The final spatial strategy therefore takes account of the following issues and concerns:
- The sustainability of settlements across the borough
 - The availability, and suitability of land for development
 - The need to maintain the vitality of rural communities
 - The areas in need of housing
 - Infrastructure capacity
 - AWE and consultation with the ONR
 - Enabling local communities to have a say on the location of development
- 5.18 It is considered that the proposed spatial strategy is compliant with the NPPF/PPG objectives and requirements for sustainable development.

Deliverability of spatial strategy and finding suitable sites

- 5.19 Following the decision to focus development at Basingstoke Town, the Council considered, through the SA process, whether there were any inherent sustainability benefits to distributing housing development around the town compared to focusing such development either to the east or to the west of Basingstoke town. The assessment concluded that whilst all three tested options (distribution, eastern focus and western focus) had similarities and benefits, a spread of development was the preferred approach when compared to the alternatives, offering more choice and greater opportunities to integrate development. Further information is outlined in Appendix 13a of the SA.

5.20 In line with the above, all of the ‘Category One’ greenfield sites within the SHLAA were subject to detailed Site Assessment and Sustainability Appraisal to inform decisions on the provision of a sufficient housing land supply in the Local Plan.

5.21 The SHLAA identified the following quantum of category one sites that could deliver homes over the plan period (i.e. sites that could warrant strategic allocation within the local plan):

Location	Total number of sites	Total number of houses that could be delivered
Basingstoke	21	9,227
Bramley	2	400
Overton	5	655
Whitchurch	4	550

5.22 The site assessment, which was based upon an agreed set of detailed criteria, identified the relative issues and opportunities associated with all of the ‘Category One’ greenfield sites. Whilst the process did not specifically rank sites, it provided detailed evidence regarding which sites had the most potential to accommodate future development.

5.23 The assessment drew upon the outcomes of available technical evidence including biodiversity, landscape and transport assessments, new technical work undertaken specifically for the assessment and also the views of relevant statutory bodies and service providers such as the Environment Agency and Hampshire County Council.

5.24 Each site was assessed in a consistent manner, a process which highlighted that all sites had strengths and weaknesses. In addition to individual site assessments, combinations of sites around Basingstoke were assessed to allow for the consideration of the wider benefits and impacts associated with concentrating development in particular locations. Similarly, larger sites such as Manydown and the East of Basingstoke were assessed in smaller parcels to understand the suitability of various parts of the sites for development. The site assessment has been reviewed, updated and added to over the course of the plan’s preparation to consider the impact of newly available information.

5.25 The Sustainability Appraisal of sites, both individually and cumulatively, built upon the detailed evidence base contained within the borough’s site assessment, as well as other evidence available, to determine the sustainability implications of developing different sites. This process also highlighted where mitigations measures would be required to overcome identified constraints.

- 5.26 The conclusions of the Site Assessment and SA of sites, in association with other relevant parts of the Local Plan evidence base, were used by the Council to come to a decision on the preferred sites for allocation over the plan period. These were as follows
- BAS024 – Swing Swang Lane
 - BAS098 – Manydown
 - BAS104 – North of Popley
 - BAS107 – Razors Farm
 - BAS114 – Kennel Farm
 - BAS121 – East of Basingstoke
 - BAS122 – Upper Cufaude Farm
 - BAS132 – Basingstoke Golf Club
 - SOL002 – Redlands

Post Submission and Local Plan Exploratory meeting

- 5.27 Following Submission, and in light of the decision to increase the housing target to 850 dpa, the council reconsidered the available evidence base and also undertook additional work, as suitable, to identify how such an increase could be accommodated. The SA (appendix 15) and also chapter 6 of this paper, sets out in more detail the different options that were looked at, including a reconsideration of previously concluded preferred approaches such as focusing most development at Basingstoke Town. Once it became clear that a further greenfield allocation would be required, Category One sites (both individually and cumulatively) and were revisited and additional assessments undertaken, to ascertain the preferred option for accommodating development. BAS133 – Hounsome Fields was considered to be the preferred site for allocation when compared to the available alternatives, both in terms of deliverability and impact, having fewer constraints than the alternatives particularly in terms of highway related issues.

Sites Within Rural Areas

- 5.28 The SHLAA also identifies Category 2 sites which are defined as promoted greenfield sites not suitable for strategic allocation. A sites categorisation resulted from a number of factors including size, location and its characteristics. It should be noted that sites placed within Category 2 may, upon further assessment, have the potential to be allocated for development through the neighbourhood planning process or come forward through other means such as rural exceptions.
- 5.29 The SHLAA identified the following quantum of category two sites. The SHLAA does not attribute specific yields to such sites and therefore, for the purposes of this paper, a 30dph ratio has been used to calculate approximate housing numbers.

Location	Total number of sites	Total area of sites (ha)	Total number of houses that could be delivered
Ashford Hill	1	0.38	11
Basingstoke town (including the parish of Chineham)	7	149	4,470
Bramley	3	2.84	85
Brown Candover	1	0.32	9
Burghclere	2	0.65	19
Chiltern Candover	1	5.2	156
Cliddesden	6	10.87	347
Dummer	1	1.2	36
Kingsclere	10	35.79	1074
Monk Sherborne	1	0.33	10
Newnham	1	3.8	114
North Waltham	9	13.88	416
Oakley	11	63.48	1904
Old Basing	4	95.32	2859
Overton	3	7.46	224
Preston Candover	1	2.2	66
Pamber End	2	1.7	51
Ramsdell	3	5.4	162
Sherfield on Loddon	5	36.68	1,100
Sherborne St John	4	29.9	897
Tadley	25	113.3	3,399
Upton Grey	1	1.43	43
Whitchurch	7	106.4	3,192
Woolton St Lawrence	12	6	180

Conclusion

- 5.30 The site assessment and SA process, considered in association with other aspects of the Local Plan evidence base, has provided a robust basis for making informed decisions on the suitability of sites for allocation. It is considered that the approach is compliant with the NPPF/PPG objectives and requirements for sustainable development.
- 5.31 The above section also demonstrates that the general distribution of housing is deliverable based on the availability, suitability and achievability of sites within these locations. Table 7 shows that the rural villages have the potential scope to accommodate future housing development, based on the availability of sites, although suitability would need to be determined at the local level as set out in Policy SS5.

6.0 Delivering the Housing Target

- 6.1 The NPPF requires LPAs actively to manage their housing land supply, demonstrating that they can identify a supply of specific, developable sites or broad locations for growth for 10 years and, where possible, for 15 years. This includes a five year supply of specific deliverable sites. The Submission Local Plan sets out a sound and robust strategy for meeting the borough's identified housing need in full over the plan period. This section has been updated to reflect the proposed modifications made to the submission Local Plan,
- 6.2 Appendix C gives a breakdown of those sites which contribute to the borough's land supply. The following section discusses the sources of supply which have been grouped into categories to follow the approach taken within the Submission Local Plan. These categories are reflected in Table 2 of the Submission Local Plan which has been updated through the published proposed modifications. The current position is outlined in the table below. This will be updated to a base date of 1 April 2015 in advance of the hearing sessions to be held in Autumn 2015. Other sources of supply, including site allocations are also discussed in this section to give a complete position statement.

Table 2: Components of Housing Land Supply 2011 – 2029 as at April 2014

Number of Homes Required to be Built: 850 x 18 years	15,300
Homes Built (Completions) in 2011 - 2014	1,527
What is currently available in the future (supply)	
• Sites with planning permission	2,535
• Small site windfall	600
• Urban/brownfield opportunities (un-allocated sites)	2,820
• Regeneration	200
Total supply	6,155
Remaining requirement to be met through Local Plan allocations	7,618

Housing completions and past delivery

- 6.3 Over the three years since the start of the plan period (2011), 1,527 units have been completed, as outlined in the table below. This has resulted in the remaining housing requirement of the Local Plan reducing to 13,773 units by 2029.

	Years		
	2011-2012	2012-2013	2013-2014
Completions	693	303	531

- 6.4 The figures show that to date, over the plan period, there has been a level of under-delivery. Factors contributing to these rates include the recent

economic climate but also the fact that there has been no newly adopted Local Plan in place to provide new housing allocations.

- 6.5 The Council's intention is to make up this overall shortfall over the short to medium term (0-10 years). It is considered that to make up a shortfall of over 1,000 units which has built up over the last three years within the next five year period would be extremely difficult in light of economic factors and given the lead in times associated with development sites.

Sites with planning permission

Large site commitments

- 6.6 Large sites (those accommodating 10 or more units) which currently have planning permission (either outline or reserve) are listed in Appendix C. A base date of 1 April 2014 has been used. As outlined above, information will be updated to a base date of 1 April 2015 in advance of the examination hearings due to take place in Autumn 2015. The relevant parts of the appendix represent the agreed outcome of the annual housing monitoring process undertaken jointly between the council and Hampshire County Council, and reflect the significant level of experience that both parties have in terms of calculating the housing land supply position.
- 6.7 The delivery rates for sites outlined in Appendix C take into account the guidance and tests outlined in the NPPF. The rates reflect a variety of information sources. As part of the annual monitoring process, a consultation exercise was completed over the summer with the developers and land agents associated with each of the large sites contributing to the borough's land supply, regarding the deliverability of sites and future development rates. Developer input is important to the accuracy of the forecasts particularly for major sites, which are developed over a number of years. Such input is considered to support the robustness of the forecast completions which are considered justified.
- 6.8 Information was also gained from on-going completions monitoring through the year, including housing return information; visits to development sites; the use of available information on the phased development of sites; previous knowledge of development rates on sites with different characteristics; and the use of information held by officers across the council, particularly Housing and Benefits and the Planning Development Section. As a result of this process, 65 units with planning permission were identified as no longer being likely to come forward for development, leaving a reduced total of 2, 535 units from this source.

Small site commitments

- 6.9 Small sites with planning permission (sites accommodating 9 or less units) total 223 units and these have been grouped into a small site allowance and spread over the next three years i.e. 2014/15 to 2016/17. This is line

with the approach put forward by Hampshire County Council which is used across the county.

Small site windfalls

- 6.10 The NPPF states (Para. 48) that LPAs ‘may make an allowance for windfall sites in the five-year supply if they have compelling evidence that such sites have consistently become available in the local area and will continue to provide a reliable source of supply. Any allowance should be realistic having regard to the SHLAA, historic windfall delivery rates and expected future trends, and should not include residential gardens’.
- 6.11 The PPG reiterates that a windfall allowance may be justified in the five year housing land supply if a local planning authority has compelling evidence (as per NPPF para.48). However, it also goes further than the NPPF, which is silent on the issue of windfall beyond the five year period, stating that ‘Local planning authorities have the ability to identify broad locations in years 6-15, which could include a windfall allowance based on a geographical area (using the same criteria as set out in paragraph 48 of the National Planning Policy Framework)’.
- 6.12 The issue of the inclusion of windfalls sites in years 6-15 within housing supply was raised by Caroline Nokes MP (Romsey and Southampton North), in the House of Commons debate on Planning Reform, held in Westminster Hall on 8 January 2014. Nick Boles MP, Parliamentary Under Secretary of State for Planning, responded that,
- “...windfall sites absolutely can form part of a plan. Where an authority can evidence that it has had a consistent delivery of housing through windfall sites in the past, and it is reasonable to expect that there will continue to be such a delivery of housing through windfall sites, it is absolutely reasonable to say that part of its planned projections assumes a level of windfall site delivery. There is nothing in the policy to prevent that.”*
- (Hansard Reference - 8 Jan 2014 : Column 99WH)
- 6.13 The plan includes a small site windfall allowance (sites less than 10 units) which totals 600 units over the remaining plan period, an average of 50 units per annum. No windfall allowance is included for large sites in order to avoid any potential double counting with sites identified in the SHLAA. Although such large sites are, in reality, likely to come forward over the plan period it is considered that any land supply gains from such sites may be offset by the non-delivery of sites in the SHLAA and therefore this approach provides a conservative and robust estimate of supply over the relevant time period.
- 6.14 From analysis undertaken to inform the SHLAA it is considered that there is clear evidence that small sites consistently become available in the local area, often through redevelopment schemes within the Settlement Policy Boundaries delineated in the Adopted Local Plan (1996-2011) or from the

reuse of buildings in the rural area. It is considered that this is an important source of housing supply and the principle of including a small site windfall allowance is justified. Further evidence is set out in section 4.3 of Version 9 of the borough's Strategic Housing Land Availability Assessment (SHLAA, 2014).

- 6.15 Given the past rate of small site completions (an average of 52 dpa over the last 10 years, with garden land removed from the figures in line with the NPPF guidance), 50 dpa is considered to be an appropriate average annual total. This will be monitored through the annual monitoring process. It should be noted that small sites with a current planning permission are likely to make up small site completions in the next three years, and therefore it is not considered suitable to include an additional windfall allowance for this three year period.

Rural exception sites

- 6.16 Table 14 of this paper shows the number of homes completed on rural exception schemes over recent years. This provides additional justification for including a windfall allowance.

Empty homes

- 6.17 The following table shows the number of properties within the borough that have been vacant for two or more years (defined as long term vacant).

Year	Number of homes
April 2010	540
April 2011	482
April 2012	441
April 2013	399
April 2014	423

- 6.18 The Councils Housing and Homelessness Strategy 2013-2018 sets out a number of priorities. Priority 3 includes the aim of bringing ten long term vacant properties back into use every year. This could therefore also provide some additional supply to meet needs.

Urban/brownfield opportunities

- 6.19 This source of supply reflects the findings of the council's latest Strategic Housing land Availability Assessment (SHLAA) which was published in September 2014 with a base date of 1 April 2014. Two further sites have been added to the SHLAA during the review of options for accommodating further development in the borough, following the exploratory meeting held in December 2014. Details of these sites are included in an addendum to the SHLAA published in May 2015 as part of the suite of documents to support the proposed modifications to the Submission Local Plan,

- 6.20 The SHLAA identifies a significant number of so-called 'opportunity sites' within the built up areas of the borough particularly Basingstoke Town. These are outlined in section 4 of the SHLAA and also appendix 3 of that document which includes a detailed proforma for each site outlining such factors as availability, suitability and likely economic viability. Conclusions have been drawn for each site, in line with the guidance outlined in the NPPF/PPG and have consequently been placed into a five year time band depending upon its deliverability credentials which include, for example, whether there is an existing policy presumption in favour of development.
- 6.21 Sites that have been placed within the 5-10 and 10-15 year time bands have been discounted by 10%. This approach is considered to provide suitable flexibility in the land supply calculations to allow for changes in circumstances and potential implications of more detailed design. This 10% equates to approximately 140 units. The identification of certain sites does not exclude other large sites (sites of 10 or more units) coming forward as windfall sites over the course of the Plan which, itself, sets a positive policy framework for the continued delivery of sites within built up areas.
- 6.22 This category of sites includes five sites which are allocated for housing development under the Saved policies of the Adopted Local Plan (1996-2011). It is not considered necessary to carry forward these allocation policies into the Submission Local Plan as each of these sites fall within a built up area of the borough where an enabling policy framework is in place. These sites have been reassessed in terms of deliverability/developability, in line with other opportunity sites and through this process a further two previously allocated sites are no longer considered to meet the relevant tests, namely Evingar Road in Whitchurch and South View in Basingstoke. Further details are set out in section 4.1 of the SHLAA.

Regeneration

- 6.23 The pursuit of suitable regeneration schemes, particularly in areas of Basingstoke Town, is considered a key priority of the Council as reflected by the council's Strategic Approach to Regeneration. As such, the Local Plan includes a 200 unit regeneration allowance, supported by Policy SS2. Section 4.4 of Version 9 of the borough's SHLAA sets out in more detail the supporting evidence for this approach.

Greenfield allocations

- 6.24 The Submission Local Plan allocates 12 greenfield sites (including Hounsome Fields which has been added to the plan through the proposed Modifications) for principally residential development under Policy SS3. Appendix C sets out how these sites are predicted to come forward over the plan period, taking into account such issues as lead in times, annual delivery rates and a site's current status in terms of planning permission. SS3 includes two sites, namely SS3.2 Kennel Farm (approximately 310 units) and SS3.4 North of Popley (approximately 450 units) which gained

planning permission prior to 1 April 2014 and therefore these two sites are included within the commitments total. This leaves a total of 6,930 units. A number of other sites, including SS3.3 Razors Farm, SS3.5 Overton Hill and part of SS3.6 South of Bloswood Land /Manor Farm Whitchurch have also progressed to different stages of the planning application process.

6.25 The delivery rates on these sites reflect a pragmatic view of projected yields and build upon discussions with relevant developers and land agents to understand the intentions and detailed progress of sites, historic delivery rates, lead in times etc. In some cases the developer is projecting a higher yield than the Council is using for the purposes of land supply calculations.

Neighbourhood Planning – 900 units

6.26 The Submission Local Plan promotes and supports neighbourhood planning in the borough, and Policy SS5 allocates a total of 900 homes to be delivered via this mechanism. This approach builds upon the outcomes of a series of consultations related to the Local Plan, dating back to 2011 when the parished areas of the borough were asked whether limited growth would be supported in villages across the borough to meet the needs of local people.

6.27 Such consultation has identified scope to accommodate small-scale development in rural areas based on identified need and the aspirations of local communities. A number of Parish Councils have expressed their support for determining the location of new housing development in their local area.

6.28 This support is illustrated by the level of activity in neighbourhood planning in the borough, with 12 neighbourhood areas being designated at the time of submission. This includes all of the five areas where a level of development has been set by Policy SS5.

6.29 The council is working with these local communities to identify the most appropriate means of delivering the identified levels of development and the following table sets out the latest position (May 2015) with the emerging neighbourhood plans. The table demonstrates that a large number of plans are now reaching an advanced stage of the neighbourhood planning process, with four plans potentially reaching examination stage during 2015.

Designated Neighbourhood Area	Current Stage of the Neighbourhood Plan	Anticipated Submission Date
Bramley	Bramley Parish Council has undertaken extensive consultation and evidence gathering, and is now in the	August 2015

	advance stages of working up a draft Neighbourhood Plan. Consultation on their Pre-submission Plan is due to take place shortly.	
East Woodhay	The Parish Council is currently gathering evidence to support the preparation of the Neighbourhood Plan.	February 2016
Kingsclere	Kingsclere Parish Council has undertaken work on a substantial evidence base and is currently working on drafting their Neighbourhood Plan. The Plan will allocate housing sites.	December 2015
Oakley	Oakley and Deane Parish Council submitted their Pre-submission Neighbourhood Plan for public consultation in March 2015. The consultation ran from 1 st March -18 th April. The draft Neighbourhood Plan allocates housing sites. It is anticipated that the Submission Neighbourhood Plan will be submitted shortly.	May 2015
Old Basing	Old Basing Parish Council have established a Neighbourhood Planning Group and held their first community engagement event in April 2015.	Spring/Summer 2016
Overton	Overton Parish Council submitted their Pre-submission draft Neighbourhood Plan for public consultation in February 2015. The consultation ran from the 16 th February - 31 st March 2015. The draft Neighbourhood Plan allocates sites for housing. It is anticipated that the Submission Neighbourhood Plan will be submitted shortly.	May 2015
Sherborne St John	The Parish Council is gathering considerable evidence to support their Neighbourhood Plan. A number of community engagement events have already been held.	January 2016
Sherfield on Loddon	The Parish Council is currently gathering considerable	March 2016

	evidence to support the preparation of the Neighbourhood Plan. Several community engagement events have already been held.	
St Mary Bourne	The Parish Council is in the process of developing a draft Plan. A number of community engagement events have already been held, and a substantial amount of evidence has already been gathered.	November 2015
Whitchurch	The Town Council has undertaken extensive consultation and evidence gathering, and is now in the advance stages of working up a draft Neighbourhood Plan. Consultation on their Pre-submission Plan is due to take place shortly. The Plan will allocate housing sites and also, potentially employment sites.	August 2015
Wootton St Lawrence	Wootton St Lawrence Parish Council has established a Neighbourhood Planning Committee and is currently working to progress their Neighbourhood Plan.	Spring/Summer 2016

6.30 The policy does provide flexibility and enables the council to identify opportunities post 2017 to address any shortfall through the DPD process should Neighbourhood Planning not deliver the required numbers through suitably allocated sites. This position will be monitored annually.

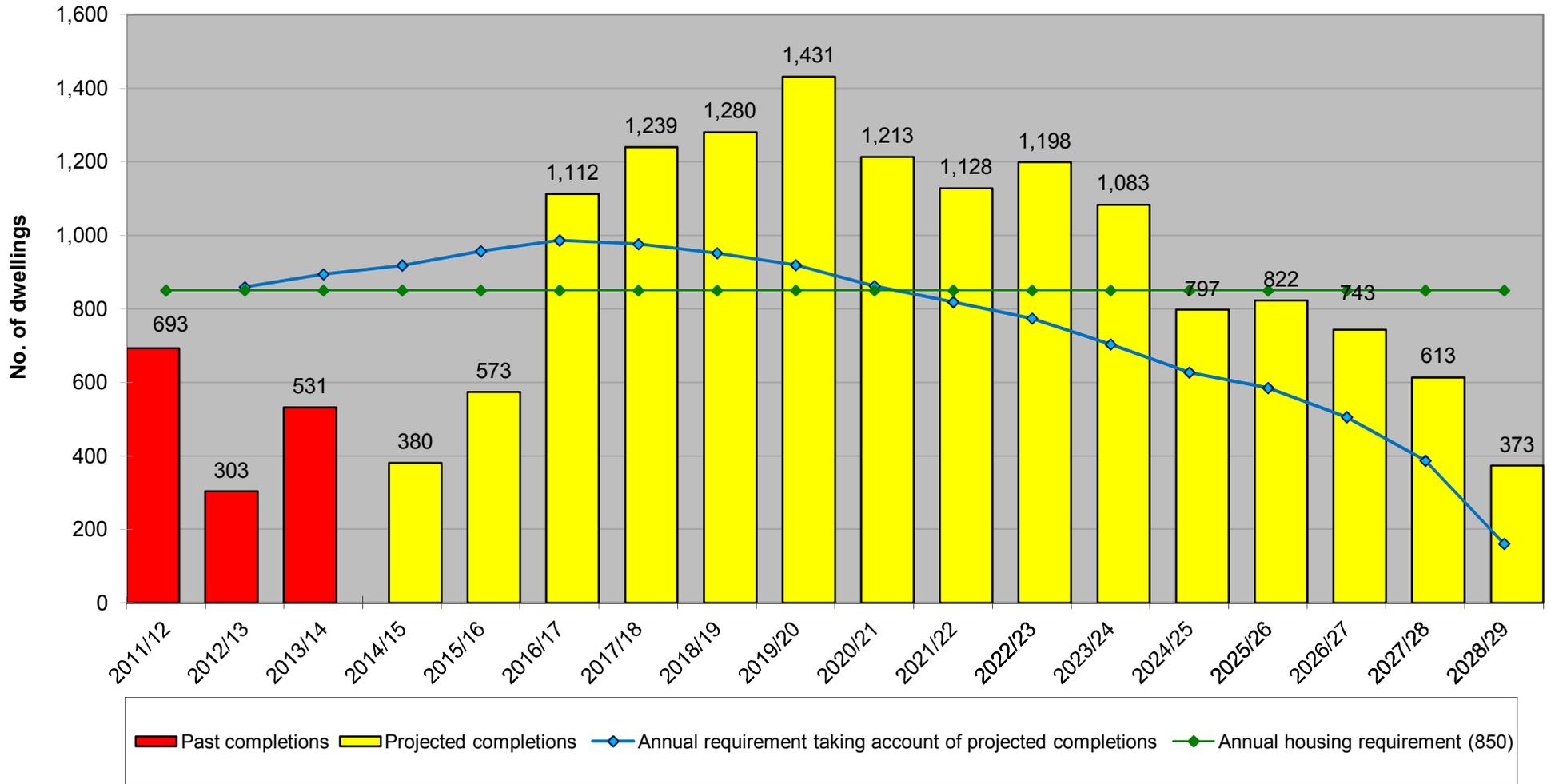
Conclusions on Land Supply and the Housing Trajectory

6.31 The above sources lead to a supply of approximately 15,500 units which, as shown in the table below, provides a small contingency or cushion of about 200 units. This contingency, when considered alongside other aspects of the housing strategy, provides the Plan with a level of flexibility to accommodate the non-delivery or delayed delivery of sites over the plan period.

Total Requirement (2011 to 2029)	15,300
Completions 2011-2014	1,527 (531 in 2013/14)
Residual requirement 2014-2029	13,773 [15,300 -1,527]
Supply	15,512

- 6.32 The Submission Local Plan included a relatively large contingency of over 1,000 units. This was queried by the Inspector during the Exploratory Meeting held in December 2014 and subsequent correspondence when the Inspector stated, on the question of the need for some contingency provision, that 'just over 1,080 dwellings could be included in the mainstream allocation..' (Para 9.6 of Notes of Exploratory Meeting). Following on from the Inspector's comments, the council revisited the options for meeting a higher housing target and it was concluded that a significant proportion of the contingency could suitably be used to address some of the shortfall, given the certainty already attached to sites and the fact that the infrastructure requirements associated with such sites had already been factored into the plan. Also, there is no requirement within national guidance to include a contingency within Local Plans, although the importance of ensuring that the plan is sufficiently flexible to adapt to changing circumstances is acknowledged. It is considered that the overall housing strategy continues to provide such flexibility, given such factors as the lack of a large windfall allowance in the plan, the discounting of a proportion of identified SHLAA sites and also the continued inclusion of a small contingency of sites (amounting to approximately 200 units).
- 6.33 The land supply position is shown graphically in the following trajectory, as required by the NPPF, which outlines the predicted delivery rates over the plan period and shows how this level of delivery affects the borough's housing target year on year. It illustrates how the housing requirements are met over the period of the Plan and illustrates how the strategy seeks to ensure a consistent and balanced supply. The council will seek to monitor and manage this supply as necessary.

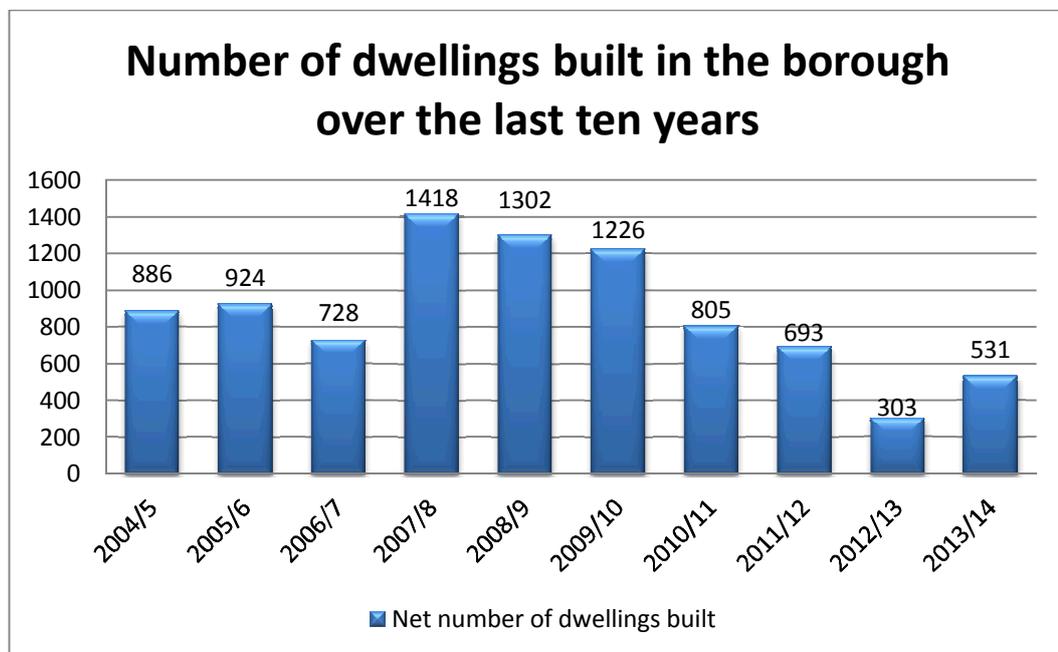
Basingstoke and Deane Housing Trajectory



Five year Housing land supply

6.34 NPPF para.47 requires authorities to identify a supply of specific deliverable sites sufficient to provide five years of housing against their housing requirements. It also requires a buffer of 5% to be applied to the supply of housing, brought forward from later in the plan period to allow for choice and competition in the market. The buffer should be increased to 20% where there is a persistent record of under delivery.

6.35 The following graph below shows the level of housing completions over the last ten years. Whilst, as noted in paragraph 4.79, the level of completions has fallen below the housing requirement over the last three years, primarily as a result of the economic climate, prior to this, the borough experienced high levels of growth, averaging 1,041 units per annum over the preceding seven years. As such it is not considered that a 20% buffer (6.0yrs supply) is appropriate, as the Council does not have a persistent record of under delivery.



6.36 Upon adoption, the Plan will set out an appropriate housing strategy which includes five years' worth of sites which meet the deliverability tests set out in the NPPF. The updated land supply position will be published in advance of the hearing sessions due to commence in Autumn 2015, following the completion of the 2015 annual housing monitoring process.

Conclusion

6.37 New housing allocations are proposed in order to meet the residual requirement identified, taking account of completions, existing commitments, identified sites within the SHLAA and a windfall allowance.

6.38 It is considered that the Council has produced a robust and clear approach to meeting the housing target of 850 dpa, which is compliant with the NPPF objectives and requirements. It is therefore considered that the proposed housing requirement is robust, achievable and deliverable.

7.0 Affordable Housing Strategy

Affordability

- 7.1 Chapter 7 of the SHMA considers the affordability of housing within Basingstoke and Deane by looking at the house price to earnings ratio and subsequently undertaking affordability testing to understand the levels of income or earnings that are required to allow access to different tenures of housing. This identifies that:
- Outright home ownership at the lowest end of property prices appears out of reach for 41% of households in the borough. For average priced property, this increases to around 60% of borough households.
 - Entry price private rented accommodation may not be accessible to up to 30% of borough households
- 7.2 Chapter 8 of the SHMA includes an affordable housing needs assessment which looks at estimated levels of need for affordable housing and the extent to which this need might be able to be met through intermediate housing products. However, even intermediate housing is not affordable to between 25% and 28% of borough households:
- Lower quartile intermediate rent properties could be unaffordable for 25% of households;
 - Lower quartile priced shared ownership properties are unaffordable for 28% of the borough's households
- 7.3 This remaining 25-28% of households will need either affordable rented and social rented housing.

Affordable Housing Needs

- 7.4 The Planning Practice Guidance sets out how affordable housing need should be calculated;
- “This calculation involves adding together the current unmet housing need and the projected future housing need and then subtracting this from the current supply of affordable housing stock.”*
- 7.5 This approach is used in the latest SHMA (see chapter 8 and appendix B). The housing needs assessment looks forward five years, covering the period from 2014 to 2019. The assessment assumes that the current unmet need will be met over the next five years as well as meeting the need that is projected to arise over this period.
- 7.6 The level of current unmet housing need is made up from the current need for intermediate housing (appendix B step 1) and the current need for social and affordable rented housing (appendix B step 3). The number of households in need of intermediate housing, based on the number of applications for intermediate housing from households who currently live in the borough, totals 565 households. The number of households in need

of social or affordable rented housing, which is taken from the backlog on the council's housing register, bands 1-3, totals 705 households. Therefore the level of current unmet housing need totals 1,270 households. If this need were to be met over the next five years, it would equate to a need of 254 households per year.

- 7.7 Similarly, the levels of projected future housing need over the next five years are made up from the projected need for intermediate housing (appendix B step 2) and the projected need for social and affordable rented housing (appendix B step 4). The projected need for both types of affordable housing comprises newly forming households and existing households who will fall into need.
- 7.8 Affordability testing that is set out in the SHMA demonstrates that 41.4% of newly forming households will not be able to afford to purchase a home on the open market. The affordability testing indicates that 13.1% of that 41.4% will be able to afford intermediate housing, while the remaining 28.3% will be in need of social or affordable rented housing. As such, the level of need arising from newly forming households totals 352 households per year, made up of 111 newly forming households in need of intermediate accommodation and 241 newly forming households in need of social or affordable rented accommodation.
- 7.9 The SHMA also estimates the number of existing households who will fall into need by using data from the last 4-5 years of applicants on the housing register and applications for intermediate housing which have been successfully housed. This data has been analysed to establish if the applicants are existing households within the borough, in order to avoid double counting the newly forming households which have been estimated separately. Around 56% of successful applicants for intermediate and social and affordable rented housing are existing households. The number of existing households falling into need is estimated to be 234 per year, made up of 45 existing households needing intermediate accommodation and 189 existing households in need of social or affordable rented accommodation.
- 7.10 Altogether, this totals an affordable housing need of 840 households per year over the five year period.
- 7.11 This figure is then compared against the expected supply of affordable housing through re-lets of existing rented homes and re-sales of existing shared ownership homes (appendix B step 5). Over the past three years, this has averaged 522 per annum. This leaves a net need of 318 affordable homes per annum over the next five years if the needs of all households in housing need were to be met by the provision of affordable housing. This equates to 37.4% of the objectively assessed housing need of 850 dwellings per year.
- 7.12 It is recognised that the affordable housing need assessment methodology is based on those in priority need (Bands 1-3 of the Housing

Register). To understand the upper limits of the borough's housing need, the SHMA has modelled an alternative scenario to test the impact of using all the households in Band 4 with a "reasonable preference" (in addition to Bands 1-3) as an indication of the overall number of households that will require affordable housing.

- 7.13 This is comparable to test 2 in the March 2014 SHMA which provides an estimate of the overall affordable housing need. This test demonstrates an affordable housing need of 1,439 dwellings per year, which, after supply through re-lets and shared ownership is taken into account, gives an overall need of 917 dwellings per year.

Site Size Thresholds

- 7.14 Policy CN1 of the Submission Local Plan does not set a site size threshold for seeking affordable housing, which effectively means that all sites with a net increase in the number of dwellings would be required to provide affordable housing. This approach reflected the high level of affordable housing need and was supported by viability evidence which demonstrated that most sites could support 40% affordable housing, even small sites. The policy does allow for a financial contribution in lieu of on-site affordable housing on sites of less than 5 net residential units. In exceptional circumstances, off-site provision or a financial contribution of equivalent value would be accepted.
- 7.15 Since submission of the Local Plan, the government has introduced a national policy which sets site size thresholds, below which affordable housing and other tariff based section 106 contributions cannot be sought. The threshold, which applies to the majority of Basingstoke and Deane, prevents affordable housing from being sought on sites of less than 10 dwellings, while in the Area of Outstanding Natural Beauty (AONB) which is a designated rural area, the threshold is lower, with affordable housing only being sought on sites of 6 or more dwellings. The council remains convinced that sites falling below these thresholds can viably support affordable housing, given the evidence available, but national policy prevents it from being secured. Local Plan policy CN1 will need to be amended to bring it in line with the latest government guidance on site size thresholds, and these modifications will be made through the Examination process.

Tenure Split

- 7.16 Policy CN1 of the Submission Local Plan sets out an appropriate tenure split for the affordable homes of 70% rented and 30% intermediate products. The housing needs assessment in appendix B indicates a need of 571 (68%) rented homes and 269 (32%) intermediate homes which is broadly reflected in the policy.

7.17 The sensitivity test housing needs assessment which includes reasonable preference band 4 applicants on the housing register indicates a higher need for rented housing of 1,170 (81%) but the same level of need for intermediate housing (269 homes) although this reflects a lower proportion of the overall need in the sensitivity test at 19%.

Viability

7.18 The NPPF highlights the importance of taking viability into account in developing policies for affordable housing and other standards in order to ensure plans are deliverable and implementation of the plan is not put at serious risk. A series of viability appraisals have been undertaken to test the Local Plan policies and to inform the setting of rates for the borough's Community Infrastructure Levy (CIL). The evidence has been prepared in consultation with the development industry and has followed the relevant guidance.

7.19 The viability evidence has been presented in three reports:

- Basingstoke and Deane Residential and Non-Residential Viability Study (Three Dragons, November 2013)
- Manydown and Golf Course Viability Report (Three Dragons, July 2014)
- Golf Course and Hounsme Fields Viability Report (Three Dragons, May 2015)

7.20 As part of the original study, evidence was collected that showed that the borough can be divided into two market value areas with noticeable differences in average market values. The two areas are 'Basingstoke/Tadley' and the 'rest of the borough'.

7.21 The viability evidence assumed that the impact on viability would be the same whether the affordable housing is provided on site (as dwellings), provided off site as dwellings or provided by way of a financial contribution, reflecting the NPPF principle of 'equivalence.'

7.22 The tenure split of the affordable housing that is set out in policy CN1 (70% rented, 30% intermediate) has also fed into the viability assumptions. Of the 70% rented, it has been assumed that 75% will be affordable rented and 25% social rented.

7.23 The first report tests a range of development scenarios and results from both the hypothetical 1 ha sites and the case study schemes showed that the two market value areas have different patterns of viability. The higher value 'rest of borough' area is more able to sustain affordable housing and a higher rate of CIL than in 'Basingstoke/ Tadley'. For both market areas, there is a trade-off between the amount of affordable housing sought and the level of CIL that can be achieved.

7.24 In 'Basingstoke/Tadley', the testing demonstrates that the majority of development is viable at 40% affordable housing (with an affordable rent

emphasis) although a limited number of case studies are not able to support a meaningful level of CIL with this proportion of affordable housing. The position in the 'rest of the borough' is that an affordable housing target of 40% can be achieved in combination with a higher rate of CIL.

- 7.25 Additional viability testing was undertaken in July 2014 for the two largest strategic sites that are likely to be subject to CIL – Manydown and Basingstoke Golf Course. On the basis of the analysis undertaken at that time, the Golf Course can viably support affordable housing, but Manydown is not a viable development at 40% affordable housing and with the higher level of planning obligations modeled, such as the provision of on-site schools.
- 7.26 The allocation of Hounsome Fields in the Proposed Modifications to the Submission Local Plan has been supported by further viability testing (May 2015). As the site is adjacent to the proposed strategic allocation at Basingstoke Golf Course and there are opportunities for shared infrastructure across the two sites, the Golf Course has also been the subject of further testing. The results indicate that both sites are viable and can support the delivery of 40% affordable housing on-site and a CIL.
- 7.27 The council is committed to meeting its affordable housing needs and has prepared policy CN1 to require 40% provision on all sites. The policy will be amended to reflect the site size thresholds set out in the Planning Practice Guidance. The setting of CIL rates will reflect this policy requirement.

Delivering the affordable housing

- 7.28 The NPPF paragraph 47 specifies that the Local Plan must meet the full objectively assessed needs for affordable housing in the housing market area. The strategy in the Local Plan is to meet the backlog of need over the next five years and to meet the need arising over the next five years within this period.
- 7.29 As set out above, the viability study supports the threshold of 40% on all sites in all locations, except for Manydown, due to the high level infrastructure to be provided through planning obligations. Sites that fall below the thresholds set in the Planning Practice Guidance are unlikely to deliver affordable housing. These small sites only make up a small proportion of the planned housing supply over the plan period, but nonetheless will reduce the council's ability to meet its overall delivery target of 40% affordable housing.

Affordable Housing completions and past delivery

- 7.30 Basingstoke and Deane has a strong track record of delivering affordable housing in the borough. The table below sets out the total number of completions of affordable housing over the past 7 years.

Affordable Housing Completions	
Year	Number of affordable dwellings
2013 - 2014	38
2012 - 2013	27
2011 - 2012	309
2010 - 2011	212
2009 - 2010	518
2008 - 2009	540
2007 - 2008	462
Total	2,106
Annual average	301

- 7.31 The Rural Exceptions Policy in the adopted Local Plan 1996-2011 has also helped to deliver affordable housing in rural communities across the borough. The Submission Local Plan continues to set an enabling framework for such schemes (CN2), also permitting a proportion of market housing as a part of such schemes. Table 14 sets out the number of units completed on rural exceptions schemes per year over the last 7 years.

Rural Exception Scheme Completions	
Year	Number of affordable dwellings completed on
2013 - 2014	0
2012 - 2013	7
2011 - 2012	34
2010 - 2011	10
2009 - 2010	10
2008 - 2009	10
2007 - 2008	10
Total	81
Annual average	10

Conclusion

- 7.32 The Submission Local Plan housing strategy makes provision for 40% of homes in new developments to be affordable. Small sites will not have to provide affordable homes in accordance with the Planning Practice Guidance.
- 7.33 The strategy takes account of the viability of schemes and provides flexibility for providing dwellings off-site or a financial contribution in exceptional circumstances. It allows rural exception schemes to incorporate an element of market housing to help maximise the number of schemes coming forward over the plan period.
- 7.34 The affordable housing strategy in the Local Plan has been informed by the evidence of housing need as set out in the Strategic Housing Market Assessment, the viability evidence, and responses from consultations.

8.0 Partners and Monitoring

Delivery partners

- 8.1 The following are considered to be the key delivery partners in implementing the housing strategy in the Local Plan:
- House building industry
 - Registered providers/affordable housing providers
 - Town/Parish Councils which are preparing Neighbourhood Plans
 - Local Enterprise Partnership

Monitoring

- 8.2 The council is committed to a plan, monitor and manage approach to the implementation of the plan. Monitoring is essential to check that the Local Plan is being implemented effectively and to assess whether the desired outcomes are being achieved. Monitoring also allows corrective action to be taken if the aims of the plan are not being met.
- 8.3 The council's approach to monitoring has been established through its regular Monitoring Reports which have been published for a number of years. These contain a large number of indicators related to the delivery of new housing in the borough, both in terms of past completions and projected future completions.
- 8.4 The Local Plan includes a set of indicators which provides a simple but robust set of measures of the Local Plan's performance. Data for each indicator will be gathered on a regular basis (at least annually), and the results reported in Monitoring Reports. The Monitoring Reports will also provide an explanation about whether or not we have met, or are on track to meet, the targets, and if not, will identify actions that need to be taken to remedy the situation.

Glossary

Affordable Housing	Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision. Homes that do not meet the above definition of affordable housing, such as “low cost market” housing, may not be considered as affordable housing for planning purposes
Affordable rented housing	Let by local authorities or private registered landlords of social housing to households who are eligible for social rented housing. Affordable rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges)
Duty to Cooperate	The duty to cooperate was created in the Localism Act 2011. It places a legal duty on local planning authorities, county councils in England and public bodies to engage constructively.
Five year housing land supply	The supply of specific deliverable housing sites on which housing completions are expected. The five year housing land supply is the number of dwellings expected to be completed in the next five years, compared to the Local Plan target for the next five years (this is normally expressed in terms of the number of years’ worth of supply).
Housing trajectory	A table (optionally accompanied by a graph) which sets out information on past and projected annual housing completions in comparison to the Local Plan target. The trajectory is a tool for analysing and illustrating whether or not housing delivery is on track
Housing Market Area (HMA)	This is identified in the Strategic Housing Market Assessment (2014) as the borough boundary, based on a review of various sources of information and data including national research on defining housing markets across England. This work concluded a high level of self-containment within the borough.
Intermediate housing	Homes for sale and rent provided at a cost above social rent , but below market levels subject to the criteria in the affordable housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rented housing.
Localism Act	An Act of Parliament which is the primary legislative basis for local authority Planning powers and came

	into force following gaining Royal Assent in November 2011. The Act made provision for new Regulations to be made including on plan making (came into force in April 2012) and a basis for the review of existing planning policy (the National Planning Policy Framework was published in March 2012).
Market Housing	Private housing for rent or for sale, where the price is set in the open market.
National Planning Policy Framework (NPPF)	The National Planning Policy Framework (NPPF) is the Government's statement of national planning policy and all Local Plans must be in general conformity with it and this is tested at a Local Plan Examination. The NPPF was published on 27 March 2012 and replaced numerous planning policy guidance documents, statements and circulars.
Neighbourhood Plan	A type of Planning Policy document that after adoption can be used (alongside the Local Plan) to determine planning applications. The plans are prepared by a parish council or neighbourhood forum for a particular neighbourhood area (made under the Localism Act 2011) and have to be in general conformity with the Local Plan, undergo Examination and a Referendum.
Planning Practice Guidance (PPG)	An online planning guidance resource that is published by the Government to support the implementation of the National Planning Policy Framework
Reasonable preference	Reasonable preference is a widely accepted approach to assessing housing need and refers to the preference council housing allocation policies give to categories of people in housing need as defined by the Housing Act 1996 (s.166A(3)).
Registered Providers of affordable housing	A registered provider of social housing as defined in Chapter 3 of Part 2 of the Housing and Regeneration Act 2008 who is registered with the Homes and Communities Agency and has not been removed from the register.
Social rented housing	Owned by local authorities an private registered providers (as defined in section 80 of the Housing and Regeneration Act 2008), for which guideline target rents are determined through the national rent regime.
South East Plan (SEP)	One of the regional spatial strategies which have been revoked by Government and do no longer exist as part of the development plan. The South East Plan was revoked on 25 March 2013. Prior to this, the plan set out the housing and employment targets for all districts within the region and set out the general locations of where the housing should go. Now the Duty to Cooperate between adjoining local authorities and other public bodies ensures that the wider strategic impacts are considered in plan making.

Settlement Hierarchy	The hierarchy is a way of identifying and arranging the largest settlements into order for the purposes of distributing the Local Plan housing growth to towns and villages around the borough based upon their population or sustainability criteria.
Strategic Housing Land Availability Assessment (SHLAA)	A key component of the evidence base to support the delivery of sufficient land for housing to meet the community's need for more homes. The SHLAA is an assessment to identify land for housing and assess the deliverability and developability of sites. These assessments are required by the National Planning Policy Framework.
Strategic Housing Market Assessment (SHMA)	Strategic Housing Market Assessments (SHMAs) are studies required by Government of local planning authorities to identify housing markets, and their characteristics, that straddle district boundaries. Their purpose is to inform Local Plans in terms of housing targets, housing need, demand, migration and commuting patterns and the development of planning and housing policy.
Sustainability Appraisal	An evaluation of the social, environmental and economic effects of policies and proposals in the Local Plan and undertaken for any Development Plan Document or a Supplementary Planning Document that raises strategic implications. The purpose is to ensure that the Local Plan documents are produced in accordance with sustainable development. Sustainability Appraisals are carried out in line with Government Guidance to meet the terms of Strategic Environmental Assessment.
Windfall Sites	Sites which have not been specifically identified as available in the Local Plan process. They normally comprise previously-developed sites that have unexpectedly become available.

Appendix A – Compliance tables

Housing evidence and NPPF compliance

Para	NPPF	Conclusion
47	Identify and update annually a supply of specific deliverable sites sufficient to provide 5 years' worth of housing. Identify a supply of specific developable sites or broad locations for growth, for 6-10 and where possible, for years 11-15.	The SHLAA provides this assessment and the authority monitoring report provides information on completions.
48	Make an allowance for windfall sites in the five year supply if they have compelling evidence...and should not include residential gardens.	An allowance for windfall has been made and the justification is contained within the SHLAA, chapter 4.
50	Identify the size, type, tenure and range of housing that is required in particular locations, reflecting local demand.	The need for different types and size of properties is assessed within the SHMA, chapter 6.
158	Ensure that assessment of and strategies for housing, employment and other uses are integrated, and that they take full account of relevant market and economic signals.	The SHMA takes full account of market signals, for example, in terms of house prices, rent levels, mortgages, and incomes. The Local Plan Strategy integrates all these elements. The SHMA 2015 and ELR update were undertaken in parallel.
159	Prepare a Strategic Housing Market Assessment to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries.	Chapter 2 of the SHMA identifies that the housing market area for Basingstoke and Deane is self-contained and details the rationale for this.

159	Should identify the scale and mix of housing and the range of tenures that the local population is likely to need over the plan period	Chapter 6 of the SHMA identifies the borough's objectively assessed housing need and identifies the mix of housing required for the borough, following an assessment of housing types and requirements for specific community groups.
159	Meets household and population projections, taking account of migration and demographic change;	The Edge Analytics report (in Appendix A of the SHMA) includes demographic modeling, taking account of internal and international migration, to establish future scenarios for household growth in the borough. Chapters 6 of the SHMA draws conclusion based upon this work.
159	Addresses the need for all types of housing, including affordable housing and the needs of different groups in the community (such as, but not limited to, families with children, older people, people with disabilities, service families and people wishing to build their own homes);	Chapter 6 of the SHMA provides an analysis of the housing requirements of different community groups. Chapter 8 sets out a Housing Needs Assessment identifying the borough's affordable housing requirements.
159	Caters for housing demand and the scale of housing supply necessary to meet this demand;	Chapter 6 of the SHMA identifies an objectively assessed housing need based upon the evidence in the Edge Analytics demographic report.
159	Prepare a Strategic Housing Land Availability Assessment to establish realistic assumptions about the availability, suitability and likely economic viability of land to meet identified need for future housing over the plan period.	The SHLAA provides this assessment.

Housing evidence and PPG compliance

PPG Paragraph number	PPG	Conclusion
15	CLG housing projections should provide the starting point estimate of overall housing need.	Edge demographic analysis which underpins assessment of objectively assessed housing need in the SHMA is informed by the (latest) 2012 CLG Household Projections.
16	Wherever possible, local needs assessments should be informed by the latest available information.	Edge demographic analysis which underpins the SHMA is informed by the (latest) 2012 CLG Household Projections. The Housing Needs Assessment uses the most up to date information available (as referenced in the SHMA).
17	Plan makers may consider sensitivity testing, specific to their local circumstances, based on alternative assumptions in relation to the underlying demographic projections and household formation rates.	The Edge report sensitivity tests different assumptions relating to migration to identify a number of demographic scenarios. The 2012-based headship rates have been compared with those from 2011 and 2008.
18	Plan makers should make an assessment of the likely change in job numbers based on past trends and/or economic forecasts as appropriate and also having regard to the growth of the working age population in the housing market area.	The Employment Land Review informs the job target in Local Plan Policy EP1. The relationship between job numbers and the working age population has been assessed in the Edge Report and Chapter 6B of the SHMA.
18	Where the supply of working age population that is economically active (labour force supply) is less than the projected job growth, this could result in unsustainable commuting patterns (depending on public transport accessibility or other sustainable options such as walking or cycling) and could reduce the resilience of local businesses. In such	The balance between jobs and homes is considered to be sustainable and is discussed further in this topic paper and the SHMA.

	circumstances, plan makers will need to consider how the location of new housing or infrastructure development could help address these problems	
19	<p>Housing need number should take account of:</p> <ul style="list-style-type: none"> • Land prices • House prices • Rents • Affordability • Rate of development • Overcrowding 	<p>The viability evidence utilises benchmark land values and takes into account existing use values. House prices and rents are considered in chapter 5 of the SHMA. Affordability is considered in chapter 7 of the SHMA. Rate of development is considered in chapters 2 and 4 of the SHMA. Overcrowded households are considered to be in housing need and have been factored into the housing needs assessment. The housing needs assessment in chapter 8 of the SHMA takes account of all of these signals.</p>
21	<p>The need for specific tenures, household types and household sizes should be identified:</p> <ul style="list-style-type: none"> • Private rented • People wishing to build their own homes • Family housing • Housing for older people • Households with specific needs • Student housing 	<p>Chapter 6 of the SHMA identifies these needs.</p>
22	<p>Affordable housing need should be calculated by adding together the current unmet housing need and the projected future housing need and then subtracting this from the current supply of affordable housing stock.</p>	<p>Chapter 8 of the SHMA presents a housing needs assessment that is calculated in this way. This is further explained in chapter 7 of this topic paper.</p>
24	<p>Plan makers should establish unmet (gross) need for affordable housing by assessing past trends and recording current estimates of:</p> <ul style="list-style-type: none"> • the number of homeless 	<p>The housing needs assessment presented in chapter 8 of the SHMA is based on those in priority need (Bands 1-3 of the Housing Register which includes these categories of housing need).</p>

	<p>households;</p> <ul style="list-style-type: none"> • the number of those in priority need who are currently housed in temporary accommodation; • the number of households in over-crowded housing; • the number of concealed households; • the number of existing affordable housing tenants in need (i.e. householders currently housed in unsuitable dwellings); • the number of households from other tenures in need and those that cannot afford their own homes. 	<p>See steps 1 and 3 of the housing needs assessment.</p> <p>To understand the upper limits of the borough's housing need, the SHMA has modeled an alternative scenario to test the impact of using all the households in Band 4 with a "reasonable preference" (in addition to Bands 1-3) as an indication of the overall number of households that will require affordable housing.</p>
25	<p>Projections of affordable housing need will need to take into account new household formation, the proportion of newly forming households unable to buy or rent in the market area, and an estimation of the number of existing households falling into need. This process should identify the minimum household income required to access lower quartile (entry level) market housing (plan makers should use current cost in this process, but may wish to factor in changes in house prices and wages). It should then assess what proportion of newly-forming households will be unable to access market housing.</p>	<p>Chapter 7 of the SHMA identifies the proportions of newly forming households that will be unable to buy or rent in the market area. This feeds into the housing needs assessment in chapter 8 of the SHMA (see steps 2A and 4A).</p> <p>The housing needs assessment in chapter 8 of the SHMA estimates the number of existing households that will fall into need (see steps 2B and 4B of the HNA).</p> <p>The minimum household income required to access lower quartile market housing is identified in chapter 7 of the SHMA.</p>
27	<p>Calculate the level of likely future affordable housing supply taking into account future annual supply of social housing re-lets (net), calculated on the basis of past trends (generally the average number of re-lets over the previous three years should be taken as the predicted annual levels), and the</p>	<p>Chapter 8 of the SHMA presents the housing needs assessment. Step 5 of the HNA sets out the likely level of future affordable housing supply.</p>

	future annual supply of intermediate affordable housing (the number of units that come up for re-let or re-sale should be available from local operators of intermediate housing schemes).	
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Compliance of housing policies with the NPPF and PPG

The housing policies in the Local Plan are compliant with the NPPF as follows:

Compliance of housing policies with NPPF		
NPPF Paragraph number	NPPF requirement	How the Local Plan is compliant
14	Local Plans should meet objectively assessed needs	Policy SS1 sets the housing target of 850 dpa which lies within the OAN.
17	Joint working and co-operation to address larger than local issues	See the Duty to Co-operate Topic Paper.
17	Drive and support sustainable economic development	The Local Plan supports sustainable economic growth.
17	Supporting thriving rural communities with the countryside	Spatial strategy directs most growth to the largest settlements, but also supports sustainable growth of the rural villages.
17	Focus significant development in locations which are sustainable	The majority of housing growth is directed to the main settlement of Basingstoke and Chineham.
47	Meet the full, objectively assessed needs for market and affordable housing in the housing market area	Policy SS1 sets the overall housing target to meet needs and Policies CN1 and CN2 meets the needs for affordable housing with policies CN3 and CN4 focusing on the mix of housing.
47	Identify five years supply of housing sites	See this topic paper.
47	Identify sites or broad locations for years 6-10 and, where possible, years 11-15	The housing trajectory identifies specific sites to meet this requirement.

50	Plan for a mix of housing based on current and future demographic trends, market trends, and needs of different groups in the community	Policies CN3 and CN4 plan for a mix of housing based on the findings of the SHMA 2015.
52	The supply of new homes can sometimes be best achieved through planning for larger scale development, such as new settlements or extension to existing villages and towns....	Policies SS1 and SS3 allocate the most appropriate sites for development which have been tested through site assessment and sustainability appraisal. The strategy contains many extensions to the urban area and some to the villages.
53	Setting out policies to resist inappropriate development of residential gardens, for example where development would cause harm to the local area.	Policy EM10 focuses on matters such as local character, and the quality of amenity for occupants.
54	In rural area...consider whether allowing some market housing would facilitate the provision of significant additional affordable housing	Policy CN2 permits an element of market housing to facilitate the delivery of affordable homes.
55	Housing should be located where it will enhance or maintain the vitality of rural communities.	Spatial strategy supports sustainable growth of the rural villages, and also growth at the strategic settlements which provide services and facilities for the surrounding rural areas.
55	Isolated homes in the countryside should be avoided except in special circumstances	Policy SS6 strictly limits development outside of settlement policy boundaries.
154	Only policies that provide a clear indication of how a decision maker should react to a development proposal should be included in the plan.	Each of the policies clearly set out how the LPA will consider a development proposal and against what criteria.

156	Include strategic policies to deliver the homes and jobs needed in an area	Policies SS1, SS2, SS3 and SS5 provide the policies to deliver the homes needed for the area in terms of numbers. Policies CN1, CN2, CN3 and CN4 address the mix and affordability of the housing needed.
179	Work collaboratively with other bodies to ensure that strategic priorities across local boundaries are properly co-ordinated and reflected in Local Plans.	See the Duty to Co-operate Statement
182	Soundness tests: Positively prepared; justified; effective; consistent with national policy	The Local Plan meets objectively assessed housing needs (see SHMA); alternative levels of growth and apportionment scenarios have been considered (see the SA); the Duty to Co-operate Topic Paper sets out how joint working has taken place; The Local Plan is consistent with policies in the NPPF as demonstrated in this paper.

The housing policies in the Local Plan are aligned with the PPG as follows:

Compliance of housing policies with PPG		
PPG Paragraph number	PPG requirement	How the Local Plan is compliant
Local Plans Para 11	Reflect the presumption in favour of sustainable development	The policies of the Submission Local Plan take a positive approach to appropriate development.
Local Plans Para 12	Local Plan policies are contained in one document	All of the borough's key strategic housing policies are contained in the Submission Local Plan.

Appendix B- Affordable Housing Needs Assessment

Background

This Housing Needs Assessment is based on a housing number of 850 homes per annum for the period of the Local Plan.

The Housing Needs Assessment is formed and calculated through an estimate of current housing need and arising housing need. The objective of the HNA is to quantify an annual affordable housing requirement within the council's overall annual housing requirement. Within the HNA, both current and arising housing need are estimated (current housing need being that need which exists today and arising housing need the need that will present in the future) and calculated as an annual affordable housing requirement for the next five years.

The overall result from this Housing Needs Assessment is an affordable housing requirement of 840 affordable homes per year which reduces to 318 affordable homes per year after deducting relets (485 social sector relets and 37 intermediate re-sales).

The implications of using this base data to support the affordable housing requirement can be found in the Key Points below. All data is taken from sources analysed in the 2015 SHMA. The HNA assumes that current need will be met over the next five years, and bases arising need over the next five years on expectations informed by past trends.

- Current annual housing need figures from the Housing Register Bands 1-3 (141 households) and current housing need from the intermediate housing application records (113 households);
- Arising housing need, is calculated using:-
 - household projections to assess the number of newly forming households (households that have not formed yet but could form in the next 5 years) – this HNA uses the household projections underlying the population projection on which the council's 850 dwellings per annum housing figure is based, and applies an affordability threshold to test the ability of these households to meet their needs in the housing market; and
 - arising housing need from existing households (households that have already formed but who may fall into housing need in the future) – this HNA is based on estimates (from arising need from the Housing Register and intermediate housing records) of how much of the arising need may be attributable to existing households falling into need and not newly forming ones;

- The proportions applied to arising need from the Housing Register and intermediate housing records are:
 - 56.5% of arising need from the Housing Register is from existing households;
 - 55.7% of arising need from the intermediate housing records are from existing households;
- The affordability thresholds applied to 850 households per annum are:
 - 28.3% of households will need social housing;
 - 13.1% will need intermediate housing;
- Taking both current and arising housing need together gives a total affordable housing need of 840 households per annum.
- Accounting for re-lets (485 social sector and 37 intermediate re-sales) the need becomes 318 units;

Housing Needs Assessment			
number of households per annum (over 5 years)	current need	arising need based on the number of households forming under the 850 scenario with affordability test	total current + arising housing need
Housing Register Bands 1-3 (rented)	141	430	571
Homes In Hants (intermediate)	113	156	269
Total annual need: Housing Register and Intermediate	254	586	840

	Basis of the assessment	Data	Need / supply per annum over five years
Step 1	<p>Current need for intermediate housing</p> <ul style="list-style-type: none"> Live in B&D (565) 	565 to be met over 5 years	113 per annum
Step 2	<p>Newly arising need for intermediate housing</p> <ul style="list-style-type: none"> Newly forming households: 13.1% of 850 = 111 per year; plus Existing households: 55.7% of 403 = 225 over 5 years = 45 per year 	Newly forming = 111 per year + Existing 45 per	156 new households per annum
Step 3	<p>Current need for social housing</p> <ul style="list-style-type: none"> Bands 1-3 = 705 	Bands 1-3 = 705 to be met over 5 years	141 per annum
Step 4	<p>Arising need for social housing (Bands 1-3 only)</p> <ul style="list-style-type: none"> Newly forming households: 28.3% of 850 = 241 per year plus Existing households: 1,334 over 4 years = 334 of which 56.5% = 189 per year 	Newly forming = 241 per year + 189 Existing	= 430 households per annum
Total housing need per annum over the next five year period:			840
Of which: Intermediate housing			269 (32%)
Of which: Rented housing			571 (68%)
Step 5	<p>Supply through re-lets (averaged over 3 years)</p>	<p>@4.1% of social stock (general needs + affordable rented (11,826) = 485</p> <p>Intermediate re-sales = 37</p>	homes per annum 522
Supply/need shortfall			318

Appendix C:Housing supply Schedule (April 2014) including Proposed Modification Updates

Site	Settlement	Net Dwls available	2011-14	5 year supply					5-10 year supply					Remainder of plan period					Unlikely	Net Total
				2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28	2028/29		
			1527																	
Completions 2011-2014																				
Sites with Planning Permission (large - 10 or more units)																				
Park Prewett	Basingstoke	42		7	0	35	0	0	0	0	0	0	0	0	0	0	0	0	0	42
North of Popley/ Merton Rise	Basingstoke	769		110	150	150	150	150	59	0	0	0	0	0	0	0	0	0	0	769
Taylor's Farm /Sherfield Park	Basingstoke	78		78	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	78
Boundary Hall	Tadley	7		7	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7
Harrow Garage	Headley	26		26	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	26
Clifton House, Bunnian Place	Basingstoke	205		0	0	0	0	0	0	0	0	100	105	0	0	0	0	0	0	205
Cheam hawtreys, Newbury Road	Headley	6		0	0	0	0	0	6	0	0	0	0	0	0	0	0	0	0	6
Basingstoke hospital, Aldermaston Road	Basingstoke	65		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	65	0
Brook House	Basingstoke	30		0	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	30
Chailey Court, 25-27 Winchester Rd	Basingstoke	24		0	0	0	0	0	24	0	0	0	0	0	0	0	0	0	0	24
Beech Down Pre school	Basingstoke	38		38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	38
Land adj to 85 Birches Crescent	Basingstoke	11		11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	11
Land north of Great Binfields	Basingstoke	9		9	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9

Freemantle and Tavener Close	Basingstoke	160		20	100	40	0	0	0	0	0	0	0	0	0	0	0	0	0	160
20 Winchester street	Basingstoke	14		0	0	14	0	0	0	0	0	0	0	0	0	0	0	0	0	14
North of Marnel Park	Basingstoke	450		0	65	80	80	80	80	65	0	0	0	0	0	0	0	0	0	450
Harwood Paddock	Wootton Hill	49		0	30	19	0	0	0	0	0	0	0	0	0	0	0	0	0	49
Kennel Farm	Basingstoke	310		0	0	70	80	80	80	0	0	0	0	0	0	0	0	0	0	310
16-18 Winchester Road	Basingstoke	14		0	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	14
Worting Farm**	Basingstoke	70		0	0	30	40	0	0	0	0	0	0	0	0	0	0	0	0	70
Total Large site Permissions		2377		306	389	438	350	310	249	65	0	100	105	0	0	0	0	0	65	2312
Site with Planning Permission (small sites - 9 or less units)																				
Outstanding Small site Commitments		223		74	74	75	0	0	0	0	0	0	0	0	0	0	0	0	0	223
Total Sites with Planning Permission		2600		380	463	513	350	310	249	65	0	100	105	0	0	0	0	0	65	2535
Small site windfall																				
Total Small Site Windfall		600		0	0	0	50	50	50	50	50	50	50	50	50	50	50	50	0	600
Urban/brownfield opportunities (un-allocated sites)																				
Aldermaston Road Triangle	Basingstoke	300		0	0	50	70	0	0	0	0	0	0	0	0	0	0	0	180	120
A339 Newbury Road 'Trumpet' Junction	Basingstoke	130		0	0	70	52	0	0	0	0	0	0	0	0	0	0	0	8	122
Land north of Park Prewett, former golf course	Basingstoke	750		0	60	60	90	120	120	90	45	0	0	0	0	0	0	0	165	585
Land between Mulfords Hill and Silchester Road	Tadley	40		0	0	0	0	0	20	20	0	0	0	0	0	0	0	0	0	40

West Ham Lane (and to Moniton Estate)	Basingstoke	50		0	0	0	0	0	0	0	0	25	25	0	0	0	0	0	0	50	
Allocations from Adopted Local Plan		1270		0	60	180	212	120	140	110	45	25	25	0	0	0	0	0	0	353	917
Total of brownfield opportunity sites identified in the SHLAA (discounted by 10% for 5-15 yrs)		1903		0	0	216	217	217	228	228	228	228	228	22	22	23	23	23	0	1903	
Total Opportunity Sites		3173	0	0	60	396	429	337	368	338	273	253	253	22	22	23	23	23	353	2820	
Regeneration sites																					
Total Regeneration Sites		200		0	0	0	0	0	20	20	20	20	20	20	50	30			0	200	
Draft Local Plan Allocations (Policy SS3)*																					
Swing Swang Lane	Basingstoke	100		0	0	50	50	0	0	0	0	0	0	0	0	0	0	0	0	100	
Razors Farm	Basingstoke	420		0	10	60	60	60	60	60	60	50	0	0	0	0	0	0	0	0	420
Redlands	Basingstoke	150		0	0	0	50	50	50	0	0	0	0	0	0	0	0	0	0	150	
Upper Cufaude Farm	Basingstoke	390		0	0	0	0	0	0	50	70	70	70	70	60	0	0	0	0	0	390
East of Basingstoke	Basingstoke	450		0	0	0	50	70	70	70	70	70	50	0	0	0	0	0	0	0	450
Golf Course	Basingstoke	1000		0	0	0	0	0	0	50	100	150	150	150	150	150	100	0	0	1000	
Manydown	Basingstoke	3,400		0	0	0	100	300	300	300	300	300	300	300	300	300	300	300	0	3400	
Overton Hill	Overton	120		0	0	50	50	20	0	0	0	0	0	0	0	0	0	0	0	120	
Bloswood Lane	Whitchurch	150		0	40	43	0	13	54	0	0	0	0	0	0	0	0	0	0	150	
Hounsome Fields	Basingstoke	750		0	0	0	50	70	70	70	70	70	70	70	70	70	70	0	0	750	
Total Allocations		6930		0	50	203	410	583	604	600	670	710	640	590	580	520	470	300	0	6930	
Neighbourhood Planning (Policy SS5)																					

Kingsclere		50		0	0	0	0	0	25	25	0	0	0	0	0	0	0	0	0	50
Oakley		150		0	0	0	0	0	50	50	50	0	0	0	0	0	0	0	0	150
Overton		150		0	0	0	0	0	0	0	0	0	0	50	50	50	0	0	0	150
Whitchurch		200		0	0	0	0	0	0	0	0	0	0	50	50	50	50	0	0	200
Bramley		200		0	0	0	0	0	50	50	50	50	0	0	0	0	0	0	0	200
Small settlements		150		0	0	0	0	0	15	15	15	15	15	15	20	20	20	0	0	150
Total from Neighbourhood plans		900		0	0	0	0	0	140	140	115	65	15	115	120	120	70	0	0	900
TOTAL SUPPLY																				
		14403	0	380	573	1112	1239	1280	1431	1213	1128	1198	1083	797	822	743	613	373	418	13985

* Some allocation sites are not included in this section as they have permission ie Kennel Farm and Land north of Marnel Park - these 2 sites increase the allocations total to 6,940 (the LP figure)

**Worting Farm gained planning permission on 26 /1/15 and has been added to the permissions at this stage to clarify the Manydown position