

## Examination of the Winchester District Local Plan 2020-2040 (Taylor Wimpey UK Limited and Vistry Group: ANON-AQTS- 3BX4-T - Nexus Planning)

### Matter 2: Spatial strategy and distribution of development Policies SP1, SP2, SP3, H1, H2, H3, and E1 and E2

**Issue – Whether the spatial strategy and distribution of development is positively prepared, justified, effective, and consistent with national policy.**

**2. *Is the spatial strategy and settlement hierarchy as set out in Strategic policy SP2 justified as an appropriate strategy, taking account of reasonable alternatives, and based on proportionate evidence?***

The 2040 Plan does not represent a significant change from previous Local Plan strategies; it follows a similar spatial approach to its forerunners and will be examined against policy provisions set out within the December 2023 NPPF.

The Government made very clear how it viewed this iteration of national policy, via the consultation document accompanying the proposed reforms:

*11. The last Government's reforms to planning policy in December 2023 were damaging for housing supply, disrupting plan-making and undermining investor confidence.*

*12. We expect immediate action. We are keen to engage with all stakeholders to understand the impacts of these reforms. The Deputy Prime Minister will write to all local planning authorities making clear that we expect universal coverage of local plans, and reviews of Green Belt boundaries where necessary to meet housing need. In this consultation, we have therefore set out exactly how local planning authorities should proceed to make ambitious local plans as quickly as possible.*

Under the transitional provisions this Local Plan is not required to make provision for a district housing requirement derived using the new standard methodology (SM), which takes the necessary steps to address chronic housing affordability issues that exist in districts such as Winchester. The 2040 Plan is not therefore in-step with changes to the planning system taking place nationally, which are central to the Government's manifesto commitments, and reflect the 'ambitious' approach that the Government wishes to see reflected in Local Plans.

It is clear, with reference to the quote above, that the Plan is dramatically out of step with the national agenda, and importantly with that which is emerging within Hampshire, where all other planning authorities are engaged in preparing plans that conform to the 2024 NPPF and therefore will reflect the ambition that the Government has. Winchester is alone in choosing to progress a Local Plan that purposefully defers consideration of the higher LHN requirements that are central to the planning reforms that have been introduced nationally to support economic growth and recovery.

While this examination question is concerned principally with the spatial strategy, it is intrinsically linked to the level of housing that is being planned for and the structural issues that affect how planning policy should be addressed within the district and more widely across the sub-region.

It is important to acknowledge that the Council made a conscious decision to latterly accelerate the plan-making process in the face of the impending reforms, ensuring that the 2040 Plan, which had been at Regulation 18 stage for almost six years in summer 2024, advanced through the Regulation 19 stage to submission in less than four months. Such a decision was clearly informed by the proposed changes to the standard methodology, which significantly increased LHN for the district from 676 dpa to 1,157 dpa and placed greater importance on planning strategically for matters such as housing delivery, requiring unmet needs to be provided for through the plan-making process across DtC areas.

The Council has consciously, and unilaterally in Hampshire, opted to progress its Local Plan under the old, discredited version of the NPPF and therefore it is critical when the 2040 Plan is examined that all consideration of the policy

provisions contained within it are viewed through this prism; recognising that the Council has proceeded within the letter, if not the spirit, of the proposed reforms.

Policies SP2 and H1 are closely interlinked, and their provisions overlap. The submissions described below were made to both the Regulation 18 and 19 consultation stages during preparation of the 2040 Plan and were germane against earlier versions of the NPPF. However, they assume greater force against the now changed national context for planning and the Government's determination to address the chronic paucity of housing supply that has affected the country for a protracted period.

An important consideration for this examination should be the extent to which this Plan, advanced under the transitional provisions, could be adapted via immediate review to accommodate the requirements of the 2024 NPPF.

The NPPG concerning plan reviews<sup>1</sup> advises that plans should be reviewed in whole or in part at least every five years, and the NPPF makes clear<sup>2</sup> that for plan making bodies, such as Winchester, where the housing requirement is less than 80% of the 2024 LHN figure, work on a new local plan should commence as soon as the LURA provisions on plan-making under the new system are introduced in 2025. It should therefore be the case that examination of this Plan, while capable of being undertaken against provisions of the 2023 NPPF, should be actively considering how the proposed spatial strategy and all other policies could be expediently developed/adapted to accommodate the higher growth levels that will be required to accord with the 2024 NPPF.

Notable in this respect is the fact that Winchester has consistently maintained its position that the standard methodology is the appropriate arbiter of what a local plan housing requirement should be. Accordingly, the authority must now accept that an appropriate starting point for a housing requirement within the district over a twenty-year plan period looking forward from 2025 will be in the region of 23,000 dwellings, in addition to which provision will need to be made to help meet unmet housing needs arising from S.33A partner authorities.

The 2040 plan falls significantly short of this requirement, demonstrating that if the Inspector is minded to find this document sound under the transitional provisions, the absolute necessity of embarking on a new plan-making process immediately this process is concluded. This examination process should be evaluating the spatial strategy in terms of its adaptability and considering further development opportunities that could readily increase growth in a complimentary and integrated manner such that provision can be made via the impending review for the much higher levels of growth that will be required.

Successive Local Plans have recognised the chronic structural challenges that affect the plan-area, which exert a strong influence on the quality of life enjoyed by residents and workers within the district. The negative issues affecting Winchester highlighted within the introductory sections of the Pre-Submission Local Plan in 2024, are fundamentally the same as those that were identified by the Local Plan when it was adopted in 2013. Moreover, the Local Plan Review, adopted in 2006, also made reference to the difficulties for many people in accessing housing to meet their needs, which forced them to live outside of the district, requiring them to commute unsustainable distances to work:

*...of particular importance is the need for affordable housing, both for the increasing number of households that cannot afford to buy on the open market, and for those who could enter or move within the housing market if the available property was better suited to their needs. The high cost of housing in the district and the lack of sufficient affordable housing is leading directly to large numbers of local young people leaving the district and can only exacerbate unsustainable patterns of travel and commuting<sup>3</sup>.*

Despite having been identified consistently as a critical and socially divisive issue, the affordability of housing within the district, and the implications flowing therefrom, have not been dealt with effectively by any of the previous iterations of the Local Plan. A shortage of homes that can be afforded by a significant majority of the working population of Winchester has been acknowledged by successive plans, yet each time the policy framework fails to take positive action to address the challenge.

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<sup>1</sup> 062 ID: 61-062-20190315

<sup>2</sup> Paragraph 236

<sup>3</sup> Winchester District Local Plan Review – Adopted July 2006, para 2.21

This issue is central to everything that the Council is proposing to achieve via this Local Plan, but the spatial strategy and the housing requirement that informs it are based on an outdated SM-generated housing figure that will only (nominally) 'start'<sup>4</sup> to address the affordability of homes.

The new (2024) standard methodology introduces a much stronger affordability multiplier, which as the MHCLG consultation document explained, responds in a far more focussed and targeted way to address the problems that are manifest in highly unaffordable district such as Winchester.

The new methodology:

*A) uses a baseline set at a percentage of existing housing stock levels, designed to provide a stable baseline that drives a level of delivery proportionate to the existing size of settlements, rebalancing the national distribution to better reflect the growth ambitions across the Midlands and North;*

*B) tops up this baseline by focusing on those areas that are facing the greatest affordability pressures, using a stronger affordability multiplier to increase this baseline in proportion to price pressures; and*

*C) removes arbitrary caps and additions so that the approach is driven by an objective assessment of need.*

The use of a baseline multiplier derived from actual housing stock overcomes the problem of perpetuating the 'baked-in' suppression of household formation rates derived from projections, that has plagued unaffordable areas for years. The new standard methodology addresses the inadequacies of the previous version, and the assessments of need that preceded it, such that where Local Plans are being prepared based on LHN derived from the new SM, there is the real prospect that structural affordability challenges that have persisted in places like Winchester for years may finally be addressed positively. This is clearly the Government's intention.

By choosing to proceed with the 2040 Plan based on the old SM the Council has chosen not to embrace this opportunity immediately. However, the examination of this Plan should be predicated on the assumption that it will swiftly be reviewed and adapted to respond to the new planning environment ushered in by the 2024 NPPF. It is therefore critical that the policies and approaches it contains provide the foundation for delivery of higher levels of growth that will be achieved as the strategies and policies are iterated through the review process.

As drafted the spatial strategy is not sufficiently ambitious to deliver against the key objectives the Council has identified as central to the philosophy of the Plan, or to anticipate and plan for the likely development pressures that will arise in the South Hampshire Urban Area that will need to be accommodated in less constrained districts, such as Winchester, via the duty to cooperate. This Plan is deficient in tackling the basic, central purpose of a development plan – namely planning for sufficient housing to meet the needs of the district population (working and resident); a fact clearly demonstrated by the new standard methodology outcomes for Winchester.

However, there is a complimentary, sustainable, deliverable spatial strategy available to the Council that would be aligned closely with the overarching (stated) ambitions of this Plan, and which could offer a tailored solution that would meaningfully contribute to meeting development pressures that will arise in the southern part of the county, that Winchester will in due course be required to respond positively to:

Previous submissions made on behalf of Vistry/Taylor Wimpey to the Regulation 18 Draft Plan consultation (December 2022) and to the Regulation 19 Pre-Submission Plan set out clear arguments why the Council should have chosen a far more ambitious housing target for this plan, using the original standard methodology as a starting point, but going significantly beyond it as a means of addressing the chronic affordability issues that prevail.

The ratio of median house prices to incomes is an accepted proxy for demand within the housing market, clearly showing that for areas where the multiplier is greatest, demand is highest. Winchester is in the top 5% of least affordable districts in which to live (outside London and the Isles of Scilly) and therefore the Council should have taken this as a clear signal that a significant uplift in the requirement would be justified. It chose not to.

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<sup>4</sup> NPPG Paragraph: 006 Reference ID: 2a-006-20190220

Vistry/Taylor Wimpey advocated through the consultations on the emerging Plan that the Council should incorporate an upward adjustment factor of its own to address the specific problems of affordability that prevail and to pursue an allocation strategy founded upon strategic scale allocations, where there is greatest potential to impose strict affordable housing delivery requirements, and where evidence shows there is greater certainty that policy compliant levels of affordable housing delivery will be achieved (unlike for small sites/windfalls). The Council's MDA policies have consistently demonstrated that strategic allocations have the greatest propensity to achieve significant affordable housing delivery, and to positively influence placemaking in support of the Council's wider corporate objectives. This plan does not build on this spatial option in a meaningful way, but the opportunity exists to anticipate a revised strategy that does, through the impending review.

Without fundamentally reinventing the proposed spatial strategy a solution presents itself that would be well-aligned with the acknowledged primary status of Winchester as the most sustainable settlement in the district and with the clear functional relationship between the southern margins of the plan-making area and the SHUA conurbation. The immediate review of this Plan (should it proceed to adoption), could easily adapt the proposed spatial strategy to anticipate future growth needs.

In terms of Winchester specifically, this would require notably higher levels of growth at the principal settlement and the re-apportionment of housing commitments in the southern parts of the district to address unmet needs arising within the PfSH area closest to where the need arises and where a strong functional relationship exists. While there is limited scope for the intensification or expansion of the existing commitments that lie in this part of the district, and understandable reluctance on the part of Parishes and residents to countenance further MDA style urban extensions or new communities around these fringes, it would be appropriate to assign existing committed growth, and the minor extensions that are now proposed, to meeting the shortfalls that will arise within the wider PfSH area.

This would not require further land to be developed within these marginal areas, eroding the levels of separation achieved or denuding areas of green space, it would merely require that the 'core' housing requirement to be provided for by the Local Plan (derived from use of the SM/LHN) is met elsewhere in the district beyond the SHUA area. This would be via an increase in the level of growth assigned to Winchester Town, which quite apart from considerations relating to the level of unmet need arising from the PfSH area, would positively meet other key objectives and structural challenges faced by the Local Plan (notably reducing carbon emissions associated with transport/commuter flows).

The SHUA figure within the spatial strategy could via the impending review be reapportioned to anticipate pressures that arise in accordance with the duty to cooperate. Such a response to a very particular and credible 'threat' to the Council's strategy could be determined without fundamentally changing the parameters of the proposed spatial strategy, which could continue to be based on the three broad spatial areas, but with a reassignment of their roles: The SHUA area would be approached principally as a repository area to accommodate the unmet needs of the partner authorities in South Hampshire, while the remaining areas (Winchester Town and the MTRA) would address local housing needs generated by the standard methodology.

Such a future strategy would also be able to build upon the commitments and allocations within the 2040 Plan at Winchester, namely continuation of MDA growth at Kings Barton, the development of the W2 Sir John Moore Barracks (SJMB) site as a component of a more ambitious growth strategy at Winchester (in due course), and the allocation of additional land to the north of Wellhouse Lane, as previously advocated by Vistry and Taylor Wimpey.

Within the Draft Local Plan R.18 representations, successive SHELAA submissions (dating back to September 2018), and through preparation of a Vision Document (**Appendix 1**) submitted to the R.18 consultation in December 2022, the concept of a new northern quarter to Winchester was proposed.

This location could deliver strategic scale growth aligned fully with the Council's stated corporate objectives and be part of the Council's drive towards reducing carbon emissions and addressing the declared Climate Emergency. It would be a complimentary MDA at Winchester and be a logical and coherent extension to existing committed growth at the Kings Barton MDA. Together with Kings Barton and the SJMB draft allocation it would form an integrated and sustainable new northern neighbourhood for the city, providing a long-term pipeline of housing that would extend the urban area of the city northwards to the clear containment boundary provided by the A34. The extent and configuration of growth that could be achieved in concert with Kings Barton and SJMB would allow for the creation of a sustainable, coordinated growth opportunity that could deliver 15-minute neighbourhood connectivity and offer a long-term strategy for growth

at Winchester across successive plan-periods. It provides a key part of a long-term development solution to the strategic challenges that will arise during 2025 when the obligation to review the 2040 Plan arrives. There is an inevitability about the need for growth in this area that the LPA will be obliged to properly consider when the Local Plan is reviewed. A strong case existed for this site to have been allocated previously, the logic supporting its allocation becomes immutable in the context of the growth obligations that apply to the district in 2025.

The local factors that contribute to the Climate Emergency declared by the Council, congestion, poor air quality, and high levels of car use could be addressed by locating strategic scale development at the most sustainable settlement in the district. A new neighbourhood, as described above, would provide a logical continuation of the footprint of the city, that could be delivered in a cohesive, connected, and comprehensively planned way. Such an approach would support active travel choices, reduce car use, relieve congestion, and improve air-quality. It could also be delivered as a logical component of a future strategy that includes components already contained within the 2040 Plan.

## Appendix 1