

**Winchester City Council  
Winchester District Local Plan 2020-2040  
Examination**

**Matter 4 Meeting Housing Need**

Word Count - 2999

**KPPC  
Macra Ltd  
April 2025**

**Issue: Would the overall strategy and provision for housing development be justified, effective and consistent with national policy?**

Calculation of Local Housing Need (LHN)

*Question 1*

- 1.1 As Paragraph 61 of the NPPF confirms, to determine the “*minimum number of homes needed*” strategic policies should be informed by a local housing need assessment conducted using the standard method.
- 1.2 Paragraph 67 of the NPPF requires that LPAs establish a housing requirement figure for their whole area, which shows the extent to which their identified housing need (including any needs that cannot be met within neighbouring areas) can be met over the plan period. The requirement may itself be higher than the identified housing need, per the Standard Method, if it includes provision for neighbouring area or reflects growth ambitions linked to economic development or infrastructure investment. Indeed, the Standard Method is the starting point, and it is appropriate to consider whether there is a reasonable requirement for an uplift to take account of local circumstances, including the need to address the requirements of specific sections of the community or for example affordable housing need.
- 1.3 The calculation of the level of housing need in accordance with the standard method is just the starting point. It is for the Council to consider whether there are additional needs which should be considered or met. At Paragraph 63 of the NPPF it is confirmed that the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies. These needs include affordable housing and those of people across population demographic.
- 1.4 The proposed Local Housing Need figure accounts for affordability in so far as is dealt with by way of the previous standard methodology. The standard method calculation is the starting point and consideration should have been given to whether an uplift on the housing need should have been included to address more broadly the matter of affordability and affordable housing needs.
- 1.5 As the PPG confirms at *Paragraph: 006 Reference ID: 2a-006-20190220*, the Standard Method for assessing local housing need incorporates and affordability adjustment in order to respond to price signals and maintain consistent with the national policy objective of significantly boosting the supply of homes as reflected within the NPPF. The specific adjustment is set at a level to ensure that minimum annual housing need “*starts to address the affordability of homes*”. This should not be considered a catch all and does not have regard for specific local circumstances.
- 1.6 There is no evidence that this point has been specifically addressed by the Council within the evidence base. Paragraph 2.9 of the SHMA (July 2024) states:

*“Despite some minor improvement in affordability since 2021, the District remains significantly less affordable when compared to Hampshire County and the South East region. This points to the existence of affordability pressures in the District, resulting in difficulties in younger households and those with limited savings in their ability to buy homes.”*

- 1.6 This position is further reinforced at Paragraph 2.10, and again at 2.12 whereby ICENI confirm that the rate of affordable housing delivery, whilst having seen some improvement since 2018/2019:

*“Has shown no immediate or significant effect on affordability within Winchester District”*

- 1.7 Concluding on this issue within the SHMA, ICENI speak with respect to Winchester, but a similar consideration applies to the plan area generally:

*“Affordability has improved slightly; however, Winchester remains significantly less affordable overall when compared to the County, Region, and Country as of 2023, with a tight rental market adding to affordability pressures in the City.”*

- 1.8 The SHMA concludes that there is a need for affordable housing within the plan area of 411 homes per annum. This represents 60% of the overall housing need of 676 homes per annum which the Council is proposing to provide for. On the basis that Policy H6 sets the affordable housing requirement from developments at between 25% and 40% depending on the circumstances, there is no manner in which this need will be met. Best case scenario that all sites provide 40% affordable housing, this would deliver approximately 276 affordable homes per annum. There will be many sites on which affordable housing is not delivered at all due to size, viability considerations or otherwise.
- 1.9 It is appropriate to have regard for whether an uplift should have been introduced to address affordability and as a result seek to allocate a greater level of growth within the plan area. This is not a matter that the Council has considered, despite it being apparent that the ICENI report recognises the affordability issues that are prevalent within the plan area relative to the broader Hampshire, south-east and National position. The Council have taken the standard method as the end of the process at present and not considered whether any uplift should be incorporated.

## Question 2

- 2.1 See above.

## Question 3

- 3.1 In the case of Winchester District, there are both overarching issues which the proposed local plan strategy does not currently seek to address, despite the

proposed vision of delivering ‘homes for all’. In this respect the development plan comes up significantly short and is neither aspirational nor forwards thinking on this point.

- 3.3 Having regard for the significant increase in housing need (63%), presented by the new standard method 2024 calculation of housing need, it is apparent that the Council will need to seek to deliver a significant additional quantum of development within the plan area over the plan period. It is acknowledged that this is intended to occur by a local plan review however that does not address the fact that the shortfall exists now and the needs of those persons within society who are in the greatest need, will not be addressed by this plan.

### The housing requirement

#### *Question 1*

- 1.1 It is inappropriate that the WDLP is seeking to deliver 350 dwellings within the SDNPA plan area on the basis that there are clear and available opportunities to meet that need within the plan area outside the National Park. This does not mean that an exception should be found with respect to the need, but rather an alternative approach to its delivery should have been considered.
- 1.2 There is uncertainty expressed by SDNPA within the *Statement of Common Ground between WCC and SDNPA* dated August 2024 whether the total figure of 350 homes can actually be delivered. With reference to Paragraph 61 of the NPPF it should be noted that any unmet or undeliverable needs should be accounted for from neighbouring authorities and indeed within the context of the SDNPA, it would be entirely reasonable and appropriate for this level of development, whether the full 350 homes, or the 100 homes discrepancy between the figure that the SDNPA consider can be delivered (250 homes), should be allocated otherwise within the WDLP plan area.

#### *Question 2*

- 2.1 The consequence would be a shortfall with respect to the objectively assessed housing needs of the district and that the development plan does not plan properly and appropriately for its full assessed need. This does not take account of the fact that the Council should be imposing an appropriate uplift to address issues including affordability.

#### *Question 3*

- 3.1 It is appropriate that the WDLP includes an uplift to take account of unmet needs within neighbouring authorities. The majority of the plan area is not constrained, and the fact that a limited section of it falls within the SDNP does not obfuscate the need to meet the objectively assessed needs for development in full outside of this area.

- 3.2 Appropriate consideration should be given to whether the unmet need should be being addressed within locations appropriately proximate to where the unmet need originates, as opposed to spread generally around the District as a whole.

*Question 4*

- 4.1 Further interrogation of this position is required, Paragraph 6.26 of the *PfSH Spatial Position Statement* dated 6<sup>th</sup> December 2023, notes that the position set out within Table 1 of the document, listing the unmet need for each authority area, only represents a snapshot in time and indeed the true extent of unmet need is unknown and will be determined through local plan processes. Whether the figure selected by the council therefore represents the totality of the unmet need and has been appropriately calculated is a matter for the Inspector.

*Question 5*

- 5.1 We raise concerns with the manner in which the unmet need is being articulated, as it is unclear what level of growth is being apportioned to each authority such that the monitoring of the delivery of this housing will be an impossible task. The fact that the unmet need is also being distributed across the plan area, as opposed to being addressed by specific allocations, also provides a lack of certainty at what point the needs of the other neighbouring authorities will be being met or delivered upon, as if all of the site do not come forwards and Winchester City Council itself demonstrates a shortfall in its delivery, it will also be the case that all of those authorities whose need WCC has agreed to meet, will also be demonstrating a shortfall.
- 5.2 To ensure the plan is effective the plan should cite a specific housing number that is to be delivered, and for robustness, to clarify where this need is to be met. This need not relate to specific sites but confirming which settlements this needs is to be met within would provide a greater degree of clarity and enable the delivery to be properly monitored. The position at present is vague and imprecise and we do not consider is effective having regard for the direction of the NPPF.

*Question 6*

- 6.1 We consider that there is appropriate evidence for an uplift on the minimum housing requirement to take account of affordable housing need within the plan area, which itself comprises 411 dwellings per annum.

*Question 7*

- 7.1 The proposed approach to dwelling size and tenure set out within Strategic Policy H5 allow appropriately for flexibility based on specific local needs or the individual circumstances of a site. Whether the development plan as a whole plans for a sufficient level of housing to meet the needs of all groups we have

commented on separately and indeed, we consider an uplift should reasonably be required on housing need to address affordability issues at the lower end of the market in particular.

*Question 8*

- 8.1 We consider fundamentally to seek to allocate less than 25% of the overall housing need within the context of the development plan is inappropriate and provides a lack of certainty of delivery of the objectively assessed need in full, as a baseline, notwithstanding any uplift that the Inspector may consider is reasonably required. In its current format, the local plan as drafted would not 'significantly boost' the supply of homes.
- 8.2 Whilst it is appropriate to take account of existing allocations and commitments, it should also be borne in mind that these sites have yet to be brought forwards in the frame of the previous development plan allocations. It is questioned whether it continues to be appropriate to rely on such sites to meet needs if there are concerns with their deliverability for one reason or another.

*Question 9*

- 9.1 We consider that the plan period is not sufficient to plan for a minimum 15 year period from adoption and that an extension to the plan period to at least 2041 should be provided. Evidently this would result in the need to identify additional development sites to meet local needs, but in any event we consider an uplift on the housing requirement set out within the development plan would be appropriate.

*Question 10*

- 10.1 No comment.

*Question 11*

- 11.1 No comment.

*Question 12*

- 12.1 No comment.

*Question 13*

- 13.1 Examination Document ED02, we have made representations with respect to the end date of the Local Plan period. In order to appropriately meet the requirement of Paragraph 22 of the NPPF, the plan period should be extended by 1 year accordingly.

The overall supply of housing

Question 1

- 1.1 No comment.

Question 2

- 2.1 As set out below, we do not consider the approach to windfall to be reasonably justified, on the basis that windfall allowances attributed to the larger rural settlements, such as Wickham, assumes that there are sites available that can be brought forwards, when in fact there is no evidence that this is the case.

Question 3

- 3.1 The Council proposes that 1,495 homes will be delivered within the plan period by way of 'windfall development'. Having regard for the objectively assessed housing need for Winchester District, which stands at 15,465 homes, approximately 12.3% of the housing need is left unallocated with an indication that this will come forwards on unallocated windfall sites within the plan period.
- 3.2 Winchester Council's approach to windfall development is considered to be evidenced by the '*Assessment of Windfall Trends and Potential (February 2021)*' (*the AWTP*).
- 3.3 Paragraph 72 NPPF is clear that where an allowance is to be made for windfall sites as part of an anticipated housing supply, there should be '*compelling evidence that they will provide a reliable source of supply*'. When considering the imposition of a windfall allowance this should therefore be realistic having regard for historic windfall delivery rates and the Council's Strategic Housing and Economic Land Availability Assessment (SHELAA).
- 3.4 With reference to the SHELAA, Winchester Council consider that there are significant opportunities for growth across the plan area; however the majority of these opportunities are located outside of settlement boundaries, which would require a formal policy change, either through a strategic allocation, or relaxing of settlement boundaries, in order to be deliverable.
- 3.5 Representations made in respect of Wickham settlement at the Regulation 19 Consultation Stage are a specific example of where this will not be achievable.
- 3.6 This is inappropriate and runs contrary to the intentions of the NPPF whereby the needs of the plan area should be provided for in order to deliver certainty of housing needs being met. It is important to recognise that the 'housing need' of the plan area as defined by the standard method is not a maximum, but rather a starting point and the Council should be planning to meet local housing needs as a minimum. To therefore rely on windfall development to address this need is not appropriate given the availability of other sites that are capable of

being brought forwards to ensure these needs are fully met within the plan period.

- 3.7 The Council's approach does not provide a positive vision for the future of the Plan Area, contrary to Paragraph 15 of the NPPF, however this can be made sound through the allocation of additional sites to ensure that the objectively assessed housing need will be met in full.

#### *Question 4*

- 4.1 No comment.

#### *Question 5*

- 5.1 We do not consider that an approach of artificially seeking to hold back sites being brought forward is reasonable or justified. This does not comply with the NPPF requirement to boost significantly the supply of housing, nor will it ensure that local needs for development are being appropriately met.
- 5.2 Previously developed sites are those which are most likely to be subject to issues of contamination requiring remediation, be subject to existing lease or other limitations on delivery timeframes and moreover be those sites which will struggle with viability issues which will limit the delivery of a desirable mix of homes or indeed a fully compliant provision of affordable housing. In all respects, restricting the delivery of greenfield sites which are subject to less onerous constraint in these regards makes little sense when it comes to delivering upon the objective of the development plan to deliver "homes for all".
- 5.3 Taking the approach preferred by the Local Authority has the potential to result in under delivery in the early years, and with respect to the 5-year housing land supply, having regard to the fact that consideration will need to be given to the new standard method figures at the end of the protected period.

#### *Question 6*

- 6.1 It is clear that a stepped trajectory would address some of the issues which the Council consider exist as a result of sites being capable of coming forwards too early within the plan period. It should however be noted, that, in only two of the plan period years, 2021/2022 and 2022/23 is it considered that the level of completions would actually have exceeded the new standard method housing need requirement under the 2024 NPPF, which, notwithstanding the fact that the WDLP is being examined under the NPPF 2023, the Council will need to appropriately plan for within an immediate review. In this respect the delivery of a greater proportion of the growth in the early years would be beneficial and see the authority more likely to be capable of meeting its objectively assessed needs.



Five year housing land supply

*Question 1*

- 1.1 No comment.

*Question 2*

- 2.1 No comment.

*Question 3*

- 3.1 We do not consider that the proposed windfall allowance comprises a realistic or reliable source of delivery having regard for the expectation that individual settlements deliver development that they are incapable of providing for within the context of the restriction imposed on such development under Policy H4 of the WDLP to occurring broadly within the existing settlement boundaries, excluding the noted exceptions.

*Question 4*

- 4.1 The Council's application of the Liverpool method seeks to mitigate for the fact that from year 2034/35 of the proposed plan period, under a continuous annual requirements, it will be clear that the Council would be demonstrate a significant shortfall in delivery each and every year until the end of the current plan period 2039/40.
- 4.2 Adopting a stepped trajectory, weighted towards the earlier years of the plan period, would however address this point.