



Hearing Statement – Matter 4: Meeting Housing Need

Winchester City Council – Examination in Public

Prepared on behalf of Persimmon Homes (South Coast) Ltd

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1.0 Calculation of Local Housing Need (LHN)

Q2:

1.1 Yes, see following answers.



2.0 The Housing Requirement

Q2.

- 2.1 The consequence is a subsequent need to deliver a higher quantum in the area outside of the SDNP.

Q3.

- 2.2 Yes; the provision of additional housing to meet unmet needs is justified when considered as a minimum figure, but we encourage WCC to go a step further.
- 2.3 The Housing Topic Paper (January 2025) claims that it is not possible or reasonable for WCC to more proactively seek to address more of the unmet need because the picture has been consistently changing. It is true, given the annual updates to the SM calculation and variations in supply (and most recently the changes to the SM methodology itself) that there is variation, but what has not changed is the unmet need has remained consistently over 10,000 homes since the SM first came into effect in 2018.
- 2.4 The commitment to providing 1,900 towards this unmet need is acknowledged. However, the Housing Topic Paper (January 2025) essentially relies on the continued delay arising from the failure of PfSH to progress a solid spatial strategy for the region as the principal excuse for not providing for a greater amount of unmet need.
- 2.5 Whilst it is accepted that a proportion of the district is constrained by the SDNP, it remains one of the least constrained, and most able to deliver sustainable patterns of development, of the PfSH districts. Authorities to its south are heavily urbanised and constrained by the sea; to the west are constrained by the New Forest National Park; and East Hampshire has a yet higher proportion of its district within the SDNP. The historic delivery of strategic sites within the district, as well as the future identification of a growth area towards the south of the district all indicate the suitability of the district for higher levels of housing growth.
- 2.6 There is also no SoCG with Southampton City Council. Whilst not directly adjoining the District, it is the largest city in the South Hampshire area and has significant unmet needs. The SoCG with the PfSH indicates an unmet need (based on the old SM but excluding the 35% 'urban uplift') of 796 to 2036.
- 2.7 Thus, an allowance of 1,900 dwellings towards unmet needs in Portsmouth and Havant is justified, but remains significantly below the needs required by the wider area and so there would be justification to actually increase this figure in the relatively unconstrained area of WCC.

Q4.

- 2.8 The split methodology is explained in the Housing Topic Paper (January 2025). The calculations highlight that Portsmouth and Havant would still have a total unmet need of 5,986 dwellings remaining. The Statements of Common Ground



have not agreed that the allocated number of homes is sufficient, nor that the split is justified.

2.9 It remains unclear how an allowance of only 1,900 was arrived at when there remain sustainable and deliverable sites in areas such as at Denmead (which are geographically logical).

2.10 It is accepted that the plan is to be considered against the December 2023 NPPF (including the SM in force at that time). Nevertheless, it is imperative to understand the wider unmet needs for the PfSH area based on the new SM because:

- in the context of applying paragraph 236 of the December 2024 NPPF as the submitted plan is less than 80% of the new SM housing need figure, so an immediate review will be required upon adoption anyway; and
- from the 1st July 2026, a 20% buffer will be applied to WCC's housing requirement (if adopted) irrespective of their housing delivery position.

2.11 The below table provides a snapshot of the unmet needs to 2036 based on the new SM:

| LPA | Annual Housing Need - SM (dpa) as at December 2023 | Annual Housing need - SM (March 2025) | Total housing need 2022 – 2036 using SM (13 x SM figure) SM) | Identified Supply = Commitment, local plan allocations + windfall estimate as at December 2023 ¹ | Shortfall/ surplus using current SM |
|---------------------------|--|---------------------------------------|--|---|-------------------------------------|
| East Hants (part) | 113 | 219* | 2851 | 1,236 | -1,615 |
| Eastleigh | 671 | 911 | 11843 | 6,663 | -5,180 |
| Fareham | 541 | 797 | 10361 | 9,646 | -715 |
| Gosport | 328 | 433 | 5692 | 2,786 | -2,843 |
| Havant | 516 | 881 | 11453 | 5,755 | -5,698 |
| New Forest | 1,097 | 1507 | 19591 | 8,276 | -11,315 |
| Portsmouth | 906 | 1016 | 13208 | 10,203 | -3,005 |
| Southampton | 1,475 | 1205 | 15,665 | 14,464 | -1,201 |
| Test Valley (part) | 182 | 325* | 4222 | 2,656 | -1,566 |
| Winchester (part) | 243 | 395* | 5132 | 3402 | -1,730 |

¹ Based on the supply as reported in the SoCG with PfSH.



| | | | | | |
|--------------|--------------|--------------|---------------|---------------|----------------|
| Total | 6,072 | 7,689 | 99,956 | 64,909 | -34,869 |
|--------------|--------------|--------------|---------------|---------------|----------------|

* based on % of whole of district figure – (19.6% East Hants / 35% Test Valley / 35% Winchester)

- 2.12 This shows that without exception every authority's current supply will fail to meet the need for housing required now. In this context and given WCC's supply is forecast to *decrease* with no new strategic allocations currently proposed, WCC should be more forward thinking and proactive in allocating more homes. This will ensure that the plan is positively prepared and justified.
- 2.13 There is also no explanation as to why specific sites have not been identified for meeting this unmet need and there is little relationship between allocations and where additional housing is required.
- 2.14 For example, Denmead is the closest settlement to Havant and Portsmouth. It has a closer functional link to these settlements in terms of commuting patterns and employment than other settlements. It has excellent access to facilities and is relatively unconstrained meaning it has the capacity to significantly assist in meeting unmet needs of Portsmouth and Havant.
- 2.15 Overall, it is welcomed that WCC has agreed to take some unmet need but it should go further by setting out heightened requirements for housing delivery and specifying in their housing Policy H1 how that need is allocated between authorities. Thus, the figure has not been justified and demonstrates that the plan has not been positively prepared.

Q5.

- 2.16 Whilst an unmet need allowance is welcomed, the figure is insufficient to meet the unmet needs of Portsmouth and Havant.
- 2.17 A figure expressed as specific numbers would provide more certainty for those neighbouring authorities as to the number of homes WCC's housing requirement would meet and would help them progress their Local Plans.

Q6.

- 2.18 Yes.
- 2.19 The following demonstrates that Winchester has an acute need for affordable housing:
- ONS Housing affordability ratios (March 2025) confirm that the median average house price was 12.06 times the median average earnings of a full-time employee in 2024. This is the 15th least affordable local authority area outside of the London boroughs;
 - The SHMA (July 2024) identifies a pressing need for 368 dwellings per annum for affordable rent and about 147 dwellings per annum for affordable routes to home ownership; and
 - The AMR (December 2024) demonstrate that only once in the past 14 years has affordable housing delivery even been close to the level required to meet the current annual need for new affordable housing (AMR Appendix 4, Figure 4.6).



- 2.20 Given WCC is forecast to have passed the peak of its housing delivery and is now on a downward trajectory, and given the vast majority of housing completions arising from market led sites, it is unlikely that WCC will meet affordable need in future years.
- 2.21 We agree that an increase to affordable housing percentages is not the answer as this would likely undermine viability and in turn the supply of new homes. If sites are no longer viable then neither the market or affordable housing will come forward.
- 2.22 Viable market-led sites are the best way of delivering additional affordable housing. Thus, by allocating additional sites that are deliverable in the short- to medium- term, additional affordable housing will be delivered.
- 2.23 Given the acute need for affordable housing which will demonstrably remain unmet based on the current housing requirement, there is a strong indication that an upwards adjustment should be made to the housing requirement.
- 2.24 To assist, an increase to the amount of housing required to be delivered in sustainable settlements such as Denmead is required to ensure that the plan is positively prepared and consistent with national planning policy by meeting the variety of needs and mix of housing tenures for different groups in the community, including those who require affordable tenures.

Q7.

- 2.25 Policy H5 seeks to meet housing needs, and Policy H6 relates to affordable housing. We appreciate that these policies seek to encourage a mix of house sizes, types and tenure, but as set out in our answers to questions 5 and 6, WCC has the ability to provide an uplift in its housing requirement to assist in meeting unmet affordable housing need. Thus, the plan is not positively prepared with regards to meeting affordable housing needs.

Q8.

- 2.26 Housing Topic Update Paper (January 2025) Table 4 updates Table H2 of the Draft Local Plan. It confirms that only c.23%² of new housing would be delivered by new site allocations. This is not effective nor justified.
- 2.27 The best way to ensure that housing requirements are met and to boost the supply of housing in accordance with paragraph 60 of the NPPF, whilst also reducing the impacts of large-scale speculative applications being submitted, is to proactively plan for new development by allocating sites.
- 2.28 Extant permissions and other commitments include strategic sites and brownfield sites which are often more complex to develop and can be affected by issues that were unforeseen at the time of allocating the site in the Local Plan. Such issues

² Rounded up from 22.89% (1,610 as a percentage of 15,040)



- can lead to additional costs and ultimately delay to delivery. As just one example, contaminated land may be revealed which will need remediating.
- 2.29 WCC claims that a cautious approach is being taken to this, but extant planning permissions, other commitments, and windfalls should not be so heavily relied on.
- 2.30 It is unrealistic to assume that all sites with planning permission will come forward in the manner approved, and so a lapse rate should be applied. Such a lapse rate should also be applied to the proposed allocations. There is evidence of allocations from the extant Local Plan not being delivered within the Plan Period, which has led to the high amount of development on windfall and non-housing allocated sites (e.g. 5,115 dwellings are included within the Housing Trajectory which failed to deliver in the previous plan period – Table 4 of the Housing Topic Paper Update (January 2025)³).
- 2.31 This would subsequently result in more sites needing to be identified for new development to ensure that the housing requirements can be met.
- 2.32 The Council should include additional housing sites in sustainable locations such as Denmead.

Q9.

- 2.33 No; an additional year should be added to the plan period.
- 2.34 Given that the plan is unlikely to be adopted imminently, the proposed plan period to 2040 would not cover a 15-year period, and as such the Council should consider amending this.

Q10.

- 2.35 The affordability adjustment in the SM already increases the uplift applied to the household projections to take account of under delivery (i.e. if insufficient homes are delivered to meet needs, then they become more unaffordable).
- 2.36 The consequence of the Council accounting for recent levels of overprovision is that it has a positive impact on affordability compared to what would otherwise be required.
- 2.37 In this context, incorporating both the 'oversupply' figure and the latest annual revised SM figures in the Local Plan's assessment of housing need and supply results in double counting.
- 2.38 To address this point of unreasonable double counting and an unnecessarily early start date for the Local Plan than required by national policy, the plan period start date could be later.

Q11.

- 2.39 The Neighbourhood Plan Review is progressing well. There is a Steering Group that meets monthly to discuss progress, and in December 2024, Denmead Parish Council published a report analysing the results of a site selection exercise that

³ 'Existing Local Plan Allocations (with Planning Perm)' and 'Existing Local Plan Strategic Allocations'.



was completed to provide for the 100 homes allocated by WCC to Denmead Parish. Please also refer to our answers to Matter 8 questions.

Q12.

- 2.40 Policy H2 assigns housing requirements to designated neighbourhood areas. There are several policies that expand on this – e.g. DEN1 sets out the policy for Denmead.
- 2.41 Denmead has been allocated 100 homes to deliver over the plan period. However, this figure lacks aspiration and is not fully justified, as there are deliverable sites in the Neighbourhood Plan Area that have not been identified for housing. See answers to other questions and Matter 8.
- 2.42 There is a significant and identified unmet need arising from Portsmouth and Havant, some of which WCC has agreed to meet.
- 2.43 Denmead is demonstrably a sustainable settlement with minimal overriding constraints and is the closest settlement to these authorities. It is most closely associated of any settlement in geographical terms, meaning that it is best placed to serve the communities of Portsmouth and Havant in the most sustainable way, whilst minimising the need for travel.
- 2.44 We question why Policy H2 seeks to prevent this housing coming forward prior to 2030. Development is needed now. There is no reason why this should be delayed. This is particularly important as from the 1st July 2026, a 20% buffer will be applied to WCC's local plan housing requirement (if adopted) irrespective of their housing delivery position. WCC cannot afford to restrain development that is already planned for, and indeed it should be more proactive in addressing this fast-approaching requirement.
- 2.45 To be consistent with national planning policy, the plan should account for a higher number of dwellings to be located in sustainable locations that also have the capability of meeting unmet housing needs of neighbouring authorities.



3.0 The Overall Supply of Housing

Q3.

- 3.1 There is an overly generous windfall allowance based on past delivery. This is flawed as past trends do not indicate future availability and even if sites do come forward, it is on an ad-hoc basis undermining infrastructure delivery and increasing the impacts of speculative development.
- 3.2 There are additional deliverable sites that could be pro-actively planned for instead (for example, through Neighbourhood Plan Area sites in Denmead).

Q4.

- 3.3 No; as set out in our above answers, whilst appreciating that WCC is planning for sufficient homes to meet its own needs (based on the old SM) and a small proportion of unmet regional need, little evidence has been presented as to how the level of unmet need planned for has been arrived at. There is little evidence about how the 100 homes allocated to Denmead (DEN1) has been arrived at, when a higher number of homes is demonstrated to be deliverable within the settlement. A higher figure would enable more development well located to meet the unmet needs of Portsmouth and Havant, of which there is still a significant unmet need.

Q5.

- 3.4 As set out in our answers above, there is a pressing need for housing now, including most specifically and urgently, from Havant and Portsmouth.
- 3.5 Delaying the approval of sites, such as the land north of Anmore Road in Denmead, will prevent the delivery of otherwise suitable sites, artificially delaying the delivery of acutely needed new housing, having a negative economic and social impact on local communities.
- 3.6 Document SD10g provides some suggested reasonings for why delaying permissions is appropriate. However, there is no evidence that the earlier delivery of sites across the plan area, or specifically within Denmead would lead to the purported issues in relation to the availability of credits, particularly for 'nitrogen' credits – this is a matter for the market, not for LPAs to determine. No evidence is presented in relation to grid capacity which would prevent the delivery of new homes earlier in the plan period within Denmead or anywhere else in the district.
- 3.7 The proposed blanket approach to imposing phased delivery of greenfield allocations further undermines the suggestion that nutrient credits and grid capacity are true reasons for delaying delivery of allocated sites; it is unlikely these issues will affect every area equally.
- 3.8 The only other rationale provided by WCC relates to the desire to 'smooth' out the trajectory. The answer to this issue is not to artificially or arbitrarily delay the delivery of sustainable development. The NPPF is clear that in making decisions,



‘Decision-makers at every level should seek to approve applications for sustainable development where possible. (Paragraph 38)’.

- 3.9 If allocated, this confirms that a site is considered sustainable. Likewise, in the case of Denmead which is provided a housing figure, housing growth of at least 100 new homes would also be considered sustainable.
- 3.10 Artificially delaying delivery of new homes, despite the acute need (including neighbouring authorities’ unmet needs), would cause significant social and economic harms. The LPA has presented no evidence that earlier delivery would cause significant negative harms (or later delivery would cause a reduced level of harm).

Q6.

- 3.11 As set out in answer to question 5 In this section, we do not think the approach is effective or justified by the evidence. Consequently, Policy H2, alongside other policies, such as DEN1, which restrict delivery of allocations until 2030 is currently unsound, being neither effective, justified or consistent with the need to significantly boost the delivery of new homes. To make the policies sound the restriction on permission for such sites until after 2030 should be removed allowing such allocations to come forward as soon as they are ready.





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