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Ms R Barrett C/O Jill Taylor, Programme Officer Winchester City Council Offices, Colebrook Street, Winchester, Hampshire, SO23 9L

08 April 2025

BY EMAIL

Dear Ms R Barrett,

MATTER 4 HEARING STATEMENT – WINCHESTER DISTRICT LOCAL PLAN EXAMINATION IN PUBLIC

We write to you on behalf of our client, Bewley Homes, in respect of the Matters, Issues and Questions (Document ref. ED13) published as part of the Examination in Public ("EiP") into the emerging Winchester District Local Plan (2020-2040), prepared by Winchester District ("the Council").

Bewley Homes has interests in Land at Forest Road and Furzeley Road, Denmead.

This letter responds to Matter 4.

Matter 4

Issue: Would the overall strategy and provision for housing development be justified,

effective and consistent with national policy?

Calculation of Local Housing Need

<u>Q1.</u>

1. Yes, the Local Housing Need ("LHN") figure used within the emerging Local Plan accords with the Standard Method calculation used at the time of submission. Notwithstanding the significant increase in the LHN through the revised Standard Method calculation, in this aspect, the Plan is in accordance with paragraph 61 of the NPPF and the PPG.

Q2.

- 2. Yes, it is clear from the evidence submitted by the Council that the Plan should include provision for a higher level of housing need. The NPPF 2023 at paragraph 61 sets out that the standard method is the starting point for establishing the housing requirement of an area. This can include uplifts to deliver unmet need from neighbouring areas as well as to deal with large levels of affordable housing need. As set out within our Matter 1 Hearing Statement, there is a considerable level of unmet need within the wider Partnership for South Hampshire ("PfSH") area including in the directly adjoining areas of Havant and Portsmouth.
- 3. The scale of unmet need across the PfSH (excluding Winchester) has been estimated by the HBF as being in the region of over 31,000 homes through to 2036. A number of these authorities will struggle to increase housing delivery due to absolute constraints. Therefore,

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rather than relying on a strategy of relying on local authorities to largely consume their own smoke, a more collaborative approach which seeks to meet as much of this need as possible across the area is required. The level of unmet need expected across the area represents a strong reason for increasing the housing number above the LHN figure at the time of submission.

- 4. Similarly, the level of affordable housing need in Winchester provides a clear reason for increasing the housing need figure within the Plan. As set out within our Regulation 19 representations, the Strategic Housing Market Assessment update (2024) (Document Ref. HA01) sets out that there is a need for 558dpa of affordable/social rent and affordable home ownership homes across WCC (including the National Park), or 495dpa across the plan area. For affordable and social rented housing alone, the number is 411dpa across WCC and 368dpa across the plan area. This is 54% of the Local Housing Need figure being used in the Local Plan.
- 5. Policy H6 requires provision of 40% affordable housing on sites of 10 or more homes, or 30% on previously developed land. There is also allowance for a lower provision in the short term where development is required to mitigate the impact of phosphates on the River Itchen SAC. Therefore, affordable housing provision across the Plan will be much lower than the 54% required for the Plan to be able to meet the affordable needs of its residents in full.
- 6. The five-year average median affordability ratio in Winchester is 12.84, notably above the average for Hampshire at 10.19 and the wider South East at 10.43. Therefore, it is clear that affordability within the District remains a problem and there is a clear justification for increasing the housing target to help tackle the issue.
- 7. Although the Plan was submitted under transitional arrangements, the revised 2024 NPPF remains relevant. Winchester's Local Housing Need has risen by 67%, indicating a clear upward trend. Increasing the housing requirement now, rather than waiting for the Plan's review, will better address this need.

The Housing Requirement

<u>Q3.</u>

- 8. The provision of an allowance to meet the unmet need from neighbouring areas within the Local Plan is fully justified and in accordance with paragraph 61 of the NPPF 2023. This is particularly relevant given the increases in the revised standard method which will result in the need for significantly more homes across the area.
- 9. As set out elsewhere within our representations, it is considered that the Council seeks to deliver mote homes to help meet the existing unmet need in the neighbouring areas and the increase in need through the revised standard method.

Q4.

10. As part of the ongoing Examination, WCC should clearly set out precisely how the unmet needs allowance has been calculated for the Local Plan. It is imperative that there is on-going cooperation between all parties as the Examination in Public progresses in order to understand whether more than 1,900 homes can be provided to help deliver the unmet need across neighbouring authorities as well as ensuring that these homes are indeed delivered.

Q5.

11. For the Local Plan to be effective, the Policy H1 must specify the number of additional homes above Winchester's housing needs which are to be apportioned to each authority. Without this, it will be impossible to determine at subsequent examinations of Local Plans for these areas, how much of the respective authorities' unmet need is being absorbed by Winchester. Therefore, it will not be possible to confirm whether plans are sufficiently meeting housing need across the area, in accordance with the PPG.

12. For ease, it is recommended that the figure is expressed as a specific number.

Q6.

13. As set out previously within this Statement, there is substantive evidence that the housing target is increased to help deliver a greater level of affordable housing in line with the evidence base. This would enable the Plan to be more effective and compliant with national policy in seeking to deliver on the social arm of sustainable development.

<u>Q8.</u>

- 14. The Plan's reliance on completions, extant planning permissions and other commitments means that the Plan fails to ensure long terms delivery of homes throughout the plan period. This is of concern given the level of unmet need across neighbouring areas and the increase in housing need through the revised standard method.
- 15. Allocating a greater number of sites for development is considered necessary in order to make the Plan more flexible and ensure that it is positively prepared.

Q9.

- 16. The plan period runs to the end of the 2039/40 monitoring year i.e. March 2040. The latest Local Development Scheme published by the Council (Document Ref. ED16) anticipates adoption of the Local Plan by Q3 of 2025 (i.e. July September). Given Hearing Sessions are not due to close until June 2025 and the requirement for Main Modifications to be drawn up and consulted on, it is considered that adoption by September 2025 is highly unrealistic. In any event, even if the Plan were to be adopted by September 2025, the plan period would still be less than 15 years.
- 17. In our view, it is considered that it is unlikely for the Plan to be adopted before the end of 2025, and there is the potential for delays to adoption, meaning that the plan period would be less than 15 years and not in accordance with national policy. Therefore, the Plan period should be extended by one year as a minimum and the uplift to the overall housing requirement applied accordingly.

<u>Q10.</u>

- 18. The standard method calculation was drawn up to take into account past levels of delivery and avoid protracted discussions at Examination over previous over or under provision of dwellings, as noted in the PPG, with paragraph 2a-011-20190220 stating that "*The affordability adjustment is applied to take account of past under-delivery*".
- 19. Although the Council considered within the Housing Topic Paper (Document Ref. ED02) that it does not believe there to be direct link between past completion rates and affordability, it is clear that the Government does in fact consider that the past supply of homes is linked to the cost and affordability of housing and has therefore sought to made it a key element of the standard method.
- 20. It is acknowledged that there are a number of factors which influence affordability, however, what is clear is that reducing supply by taking into account overprovision will not improve affordability in the long term. Further, the Government's target for housebuilding, and housing targets within Local Plans are to be expressed as minimum.

<u>Q12.</u>

21. No. As set out within our Matter 2 Hearing Statement and Regulation 19 representations, it is not considered that the housing requirement set for Denmead Neighbourhood Plan equates with the settlement's sustainability credentials nor its capacity to deliver the homes required within the District and wider area.

- 22. Bewley Homes has concerns with the overall strategy for the scale of development for development at Denmead. It is crucial to ensure the spatial strategy does not disproportionately concentrate development in the largest settlements while overlooking more rural communities. Instead, development should be distributed across the settlement hierarchy to promote sustainable growth and prevent the decline of more "rural" areas.
- 23. It is also important to recognise that a "rural" settlement can be highly sustainable, meeting many daily needs while benefiting from the services of larger nearby settlements. Additionally, providing housing for a diverse range of needs in rural areas helps sustain local amenities and facilities, which often face challenges due to an aging population.
- 24. As outlined in our Regulation 19 representations, the allocation of 328 dwellings (including 100 identified in the Neighbourhood Plan Review) accounts for only 2.2% of the 15,115 home target in the Local Plan.
- 25. Denmead has the capacity to accommodate significantly more growth than currently proposed. A higher level of development would support its long-term vitality in alignment with the NPPF.
- 26. Further, the Winchester District Strategic Housing Market Assessment (SHMA) (2020) indicates that 980 new dwellings are needed to accommodate expected population growth between 2016 2036. However, as noted above, Denmead is only planning to deliver one-third of this requirement. As a result, the current distribution of development does not adequately reflect the settlement hierarchy or the supporting evidence base.
- 27. In addition, it is not clear as to whether Policy DEN1, which directs the Denmead Neighbourhood Plan to allocate "about 100 dwellings", is considered to a strategic policy. For the policy to be considered sound it should be clearly identified as a strategic policy with a clear requirement expressed as a minimum.

Q13.

- 28. The Council states that the housing target should be reduced to take account of the updated housing supply figures. This is not considered to be positively prepared, effective or in accordance with national policy.
- 29. If the Council's projected housing supply is reduced based on sites not being able to come forward as they are not deliverable, are not able to come forward with the number of dwellings anticipated or in the timeframes expected, it should not then seek to retrospectively reduce the overall housing requirement.
- 30. This is a direct consequence of the Council's decision not to include a buffer within the housing trajectory. It means that there is no flexibility within the plan to allow for circumstances outside of the Council's control which result in the Council being unable to deliver against its housing requirement. This, as mentioned previously, is particularly important given the amendments to the standard method and the large increase in Local Housing Need which will be expected to be accommodated within the next Local Plan. Further, it is also critical that the Council seeks to meet its needs in full given the high levels of affordable housing need and the significant amount of unmet need within the PfSH area.
- 31. Instead, as a minimum, the Council should seek to find alternative sites to ensure that the need is being met in full.

The Overall Supply of Housing

<u>Q1.</u>

32. The housing trajectory included within the Appendix A of the Housing Topic Paper provides a greater level of detail than that currently included within the Local Plan. In order for the Plan

to be effective, it is considered that a housing trajectory with a similar degree of detail is included within the Local Plan for clarity.

<u>Q2.</u>

- 33. As previously noted, the lack of a buffer within the housing trajectory presents a clear risk in the Council not being able to deliver against its housing need in full. The housing trajectory should include a buffer to allow for flexibility and ensure that development needs are being net within the Plan.
- 34. As set out within our Matter 5 Hearing Statement, Bewley Homes also has concerns about the deliverability of the Sir John Moore Barracks in the timescales envisaged by the Council.
- 35. The Housing Topic Paper (Document Ref. ED02) anticipates housing delivery beginning in 2028/29. Large-scale developments require significant infrastructure before homes can be built. Any delays in the St John Moore Barracks' closure could make it challenging to deliver homes within four monitoring years, posing a potential risk to housing supply.
- 36. The latest Authority Monitoring Report (2023/24) indicates a notable increase in projected housing delivery for North Whiteley. Additionally, the number of dwellings considered "unlikely" to be delivered by 2031 has decreased. Given this site's substantial role in annual housing supply, further clarification is needed to justify this increase in projected delivery.
- 37. In contrast, projected shortfalls have worsened in the other two large allocations. The number of dwellings unlikely to be completed by 2031 has increased at West of Waterlooville and at Land at Barton Farm. Additional information is required to explain the slowdown in delivery and its implications for overall housing supply.
- 38. There are also concerns regarding the deliverability of the Winchester City Regeneration Scheme (W7) and Station Approach (W8), which are both expected to deliver housing within the first five years of the Plan. These sites are both complex urban sites which were allocated through the previous Local Plan, however they are yet to come forward. Therefore, it is reasonable to case doubts as to whether they will now come forward as expected without further evidence to provide comfort and clarity.
- 39. Any reduction in housing delivery will negatively impact the Council's ability to meet its targets, a concern made more pressing by the level of unmet housing need in neighbouring authorities. Therefore, it is important that the housing trajectory is scrutinised fully, and other sites identified for allocation if there is any shortfall and to provide an adequate buffer.

<u>Q4.</u>

40. As set out above, there are some clear concerns with elements of the housing trajectory and that it is not based on a sound understanding or robust evidence. Therefore, more small and medium sized sites should be allocated for development which provide a buffer to the housing trajectory, thereby creating greater flexibility, and enable the Council to deliver against its housing target.

Q5.

- 41. Bewley Homes fundamentally disagrees with this approach as it is not in accordance with paragraph 60 of the NPPF 2023 and the objective to significantly boost the supply of homes.
- 42. Development on brownfield sites can be hampered by deliverability and viability issues. Brownfield sites tend to deliver smaller dwellings due to size and viability constraints and deliver fewer affordable homes. This is recognised in Policy H8 which requires provision of 30% affordable homes on developments of 10 or more dwellings rather than the 40% on greenfield sites. Therefore, by pushing greenfield allocations further down the plan period, fewer affordable homes will be delivered in the first five years and fewer family homes are likely to be delivered compared to greenfield sites.

- 43. In addition, should there be delays to the delivery of brownfield sites before April 2030, there will be a lag before greenfield sites are able to plug this gap, meaning that there will be delays in delivering much needed homes in the District and the unmet need from neighbouring authorities.
- 44. The Council's approach is therefore not considered to be an effective, justified, or positively prepared.

<u>Q6</u>

- 45. For the avoidance of doubt, Bewley Homes would not be supportive of the introduction of a stepped trajectory. Similarly, the approach to housing delivery outlined in Policy H2 is not considered to be positively prepared, effective or consistent with national policy.
- 46. The approach will not significantly boost the supply of housing as required through the NPPF, and it will not support the Government's policy of delivering 1.5 million homes over the course of this Parliament.

Five Year Housing Land Supply

<u>Q1.</u>

- 47. As set out above there are concerns regarding the inclusion of several sites within the housing trajectory for the first five years post adoption of the Local Plan, which calls into doubt the Council's ability to demonstrate a five-year housing land supply upon adoption. The housing supply should be thoroughly interrogated and scrutinised through the Examination to ensure that it is robust. If a five-year supply cannot be demonstrated, then additional sites should be allocated.
- 48. Further, given that as of July 2026, a 20% buffer will be applied to the housing target because of the transitional arrangements set out in the December 2024 NPPF, a 20% buffer should be included at the outset of the adoption of the Local Plan.

<u>Q4.</u>

49. It is considered that the Council needs to provide a clear justification for its use of the Liverpool Methodology to consider that it is a sound approach.

Summary

We look forward to receiving confirmation of this letter's receipt and to attending the hearing in due course.