

**Gladman Developments Ltd**

**Winchester City Council**

**Local Plan Part 2: Development Management and Site Allocations**

**Examination Hearing Statement**

**Matter 2: Meeting Development Needs**



**June 2016**

## 1 **MATTER 2: MEETING DEVELOPMENT NEEDS**

1.1 I) Does the Plan demonstrate that there will be a deliverable supply of developable new housing and employment land in appropriate locations over the plan period, with suitable infrastructure provision, in accordance with the NPPF/PPG and LP Part 1

1.1.1 The tests of soundness applied by §182 of the Framework outline that the plan must be found to be positively prepared, justified, effective and consistent with national policy. In order to secure the full delivery of housing needs and maintain a five year housing land supply, Gladman have **significant reservations regarding the ability of the Council's Sustainable Urban Extensions (SUEs)** to deliver at the suggested rates and therefore believe that there is a pressing need for the Council to commence work on a new Local Plan.

1.1.2 Gladman believe that the assumptions made by the housing trajectory supporting the Local Plan Part 2 (LPP2) risks the deliverability of the LPP2 and will lead to further land supply problems in the future. In our representations to the pre-submission LPP2, Gladman highlighted **significant concerns with the Council's continued approach that is reliant on the deliverability of the Council's SUEs.**

1.1.3 The Zurich judgment makes clear that whilst Winchester City Council (WCC) could still act lawfully having adopted the LPP1, showing a slight shortfall in the first part of the plan period, this would need to be more than compensated for in the remainder of the plan period. In consideration of the evidence submitted by WCC to the Examination following the pre-submission consultation, notably Background Paper 1 – Housing Requirements and Supply, Gladman have considered this evidence and are of the opinion that these concerns remain valid and renew the submissions previously raised.

1.1.4 Gladman doubt how achievable both the start dates and build out rates as outlined in the **Council's latest supply position are for West of Waterlooville, North Whitley, North Winchester and Silver Hill.** The application of unrealistic start dates in the housing trajectory could result in a significant shortfall in housing land supply and problems in maintaining a five year land supply throughout the plan period.

1.1.5 In the first instance, the lead in times associated with the SUEs suggest that these sites will begin to deliver in the near future. With regards to North Whiteley it is expected that delivery of this site will commence in 2016/2017, this is despite the fact that to date no reserved matters application has been submitted to WCC for consideration. It is noted that North Winchester/Barton Farm has **reserved matters consent for 423 dwellings, if Gladman accepted the Council's delivery rates, this** would suggest that the majority of the 423 dwellings would be built out within 3 years. Therefore, unless further reserve matters applications are submitted and approved within the next 2 years this could have a serious knock on effect to the anticipated rates of delivery for the wider site.

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1.1.6 Undertaking a comparison between the Council's position contained in both the LPP1<sup>1</sup> and LPP2<sup>2</sup> reveals a significant shift in the Council's position on all assumed SUE delivery rates. As detailed in Table 1 below, the Council's position now reveals that the anticipated delivery rates of the LPP1 are not deliverable and are now increased in the later parts of the plan period from those shown in the previous LPP1 housing trajectory.

Year	Housing Trajectory	2011 /12	2012 /13	2013 /14	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	2029 /30	2030 /31	TOT AL
2012*	Strategic Allocation: North Winchester	0	0	0	50	100	200	300	300	300	300	300	100	50	50	50	0	0	0	0	0	2100
2016**	Strategic Allocation North Winchester	0	0	0	0	50	150	200	200	200	200	200	200	200	200	200	100	100	0	0	0	2000
	Difference	0	0	0	-50	-100	-150	-150	-100	-100	-100	-100	+100	+150	+150	+150	+100	+100				
2012*	Strategic Allocation: North Whiteley	0	0	0	50	100	300	400	400	400	400	400	400	300	200	150	0	0	0	0	0	3500
2016**	Strategic Allocation: North Whiteley	0	0	0	0	25	200	350	375	400	450	450	450	300	200	100	100	50	50	0	0	3500
	Difference	0	0	0	-50	-100	-275	-200	-50	-25	0	+50	+50	+150	+100	+50	+100	+100	+50	+50	0	0
2012*	Strategic Allocation: West of Waterlooville	30	75	210	250	299	235	240	239	48	240	200	150	100	75	55	0	0	0	0	0	2418
2015***	Strategic Allocation: West of Waterlooville Completions		14	107	93																	
2016**	Strategic Allocation: West of Waterlooville: Old Park Farm				25	17	16															
2016**	Strategic Allocation: West of Waterlooville: Grainger Site	0			40	100	200	200	200	200	200	200	200	150	150	100	100	85	60	39		2024
2016**	Strategic Allocation: West of Waterlooville Total	0			65	117	216	200	200	200	200	200	200	150	150	100	100	85	60	39		2082
	Diference	-30	-61	-103	-117	-234	-118	-24	-39	+152	-40	0	+50	+50	+75	+55	+100	+85	+60	+39		

Key	
2012*	2012 Housing Background Paper 1: Housing Provision, Distribution and Delivery
2015***	2015 Annual Monitoring Report
2016**	2016 Housing Background Paper – Housing Requirements and Supply

<sup>1</sup> 2012 Housing Background Paper 1 – Housing Provision, Distribution and Delivery: Appendix B

<sup>2</sup> 2016 Housing Background Paper 1 – Housing Requirements and Supply, March 2016

- 1.1.7 Gladman consider that the more recent assumptions made in respect of the delivery of identified **housing through SUE's in the housing trajectory continues to risk the Plan's deliverability. In this regard**, should the rates not be achieved by the LPP2 trajectory, a significant shortfall will soon arise. The fact that the delivery of both North Whitely and West of Waterlooville continue towards the end of the plan period leaves no room slippage and should this happen provides no room for the **Council to react to ensure that alternative sites can be brought forward to ensure the District's housing needs set out in the Plan are met in full.**
- 1.1.8 Accordingly, the proposed delivery rates are not considered to be realistic or achievable. In light of **the Council's continued use of unrealistic delivery assumptions, we would like to draw to the Inspector's attention a report into the delivery of Urban Extensions prepared on behalf of Gladman** by consultants Hourigan Connelly (Appendix 2). This report has been considered at numerous Local Plan Examinations and Planning Inquiries across the country. This study also forms the basis of the research undertaken by Savilles to support their Urban Extensions - Assessment of Delivery rates study. Gladman note the decision at Easton Lane, Bozeat<sup>3</sup>, **which states at §16 'The report is based upon a review of performance on SUEs across the country, rather than the East Midlands, but I regard it as reliable, albeit generalized, evidence on how much sites have performed and what may be expected in terms of delivery. In broad terms the experience is that for the first year, about 65 dwellings can be anticipated on an SUE, with about 110 per year in subsequent years. At the inquiry it was contended the likely rate of construction at Wellingborough would be 60 in the first year and 120 per year thereafter. I regard that as a reasonable expectation, taking account of the Savilles report.'**
- 1.1.9 The Hourigan Connolly report identifies a number of significant site specific issues alongside procedural delays often associated with strategic sites of this nature and emphasises that the delivery of urban extensions can be problematic and the timescales associated with the delivery of houses on such sites are significant. In particular, this report further identifies that on a national average the likely delivery rates for such schemes are in the region of around 35 dwellings per annum per developer acting on site. This figure can be increased to reflect local housing market conditions. Typically house builders are only set up to deliver 3 houses per month equating to an annual delivery rate of 36 dwellings per annum consistent with the findings contained in Appendix 2. Delivery can increase slightly in very strong markets but is considered that the maximum realistic delivery rate that would be achievable in Winchester would be in the region of 40 dpa per house builder on site.
- 1.1.10 In consideration of the above, Gladman have reconsidered the delivery assumptions contained in the LPP2 trajectory.

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<sup>3</sup> Appeal Reference: APP/H2835/A/14/2227520

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Housing Trajectory	2011/12	2012/13	2013/14	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	2029/30	2030/31	TOTAL	Comments	
Strategic Allocation North Winchester	0	0	0	0	0	50	150	200	200	200	200	200	200	200	200	100	100	0	0	0	2000		
GDL Position						25	40	40	40	40	40	40	40	40	40	40	40	40	40	40	40	525	Lead in time accepted due to reserved matters consent for 423. Annual delivery rate reduced to 40 dpa due to only one developer acting on site. Two sales offices does not mean increased sales if the scheme is built out by one developer
Difference					0	-25	-110	-160	-160	-160	-160	-160	-160	-160	-160	-60	-60	40	40	40	-1475		
Strategic Allocation: North Whiteley	0	0	0	0	25	200	350	375	400	450	450	450	300	200	100	100	50	50	0	3500			
GDL Position				0	0	0	25	160	160	160	160	160	160	160	160	160	160	160	160	160	160	1945	Lead in time pushed back two years due to outline application securing outline consent in October 2015, s106 yet to be signed.
Difference				0	-25	-200	-325	-215	-240	-290	-290	-290	-140	-40	60	60	110	110	160	-1555			
Strategic Allocation: West of Waterlooville Completions		14	107	93																		Completion data: AMR 2015 - Table 12	
Strategic Allocation: West of Waterlooville Old Park Farm	0			25	17	16															58		
Strategic Allocation: West of Waterlooville: Grainger Site	0			40	100	200	200	200	200	200	200	200	150	150	100	100	85	60	39		2024		
Strategic Allocation: West of Waterlooville Total	0			65	117	216	200	200	200	200	200	200	150	150	100	100	85	60	39		2082		
GDL Position																						Grainger selling service plots to housebuilders. Currently 3 major housebuilders on site (Taylor Wimpey, Bloor and Redrow). PRS for 105 units will be built out by Grainger themselves but this is not considered to significantly alter the delivery assumptions to constitute a 4th and 5th developer on site.	
Difference		14	107	93	65	117	120	120	120	120	120	120	120	120	120	120	120	120	120	120	120	1862	
Difference		0	0	0	0	0	-96	-80	-80	-80	-80	-80	-30	-30	20	20	35	60	81	120	-220		

Table 2

1.1.11 In summary, based on Gladman’s assumptions the Council’s anticipated delivery assumptions are over estimated by a factor of some 3,250 dwellings i.e. 217dpa over the remaining plan period. Accordingly, due to WCCs reliance on strategic sites to maintain its 5 year housing land supply, it is not considered that LPP2 contains a range of sites that are able to come forward across a broad range of locations should the SUEs fail to deliver. It is therefore considered that the LPP2 is not able to meet the first and fourth bullet points as required by §47 of the Framework. Gladman note the Inspector’s decision at Stone, Dartford<sup>4</sup> which states ‘The Council’s record in forecasting its delivery against target is poor, as demonstrated by the appellant’s uncontroverted evidence. For that reason, I do not accept the Council’s prediction that delivery rates will increase to double or treble those of recent past. I am more persuaded by the appellant’s evidence that possible delivery in the next five years is 6,172. Even that represents a doubling of recent delivery rates and so I do not disagree with the appellant’s

<sup>4</sup> Appeal Reference: APP/T2215/A/13/2195591

*decision of it as hugely ambitious. Nevertheless, the appellant accepts that this is realistic and I have no reason to disagree.'*

- 1.1.12 Further, as demonstrated in Background Paper 1, WCC are no strangers to experiencing delays with planned allocations with West of Waterlooville and Winchester City North (as a housing reserve site) originally identified in the Hampshire County Structure Plan Review (2000) and Silver Hill (thus far) taking 10 years to come forward despite benefiting from planning permission on two separate occasions previously, and have both since expired.
- 1.1.13 In order to secure the deliverability of the Plan in full, Gladman consider that WCC must take the following steps. The spatial strategy must allow for additional flexibility so that sites that have not been allocated through the Plan are capable of coming forward to accommodate any slippage in **the predicted delivery of the Council's SUEs**. This will also aid the Council in delivering additional housing towards the market towns and rural areas, both in the mix and location of sites proposed.
- 1.1.14 To ensure additional flexibility in the plan, Gladman submit that the past under-supply of housing in Winchester should be dealt with over the next 5 years based on a flat annual requirement, in accordance with PAS guidance and the PPG on Housing and Economic Land Availability Assessment<sup>5</sup> **and would also be consistent with the Framework's aim to significantly boost the supply of housing**. If the past under-delivery of housing in the district continues to be addressed over the remainder of the Plan period then the Council will not be able to deliver the housing identified in the LPP1.
- 1.2 iii) Does the Plan deal appropriately and sustainably with the likely development needs of the smaller villages and rural area?**
- 1.2.1 The LPP2 fails to allocate land to meet the housing needs of a large number of settlements within the district. For example, outside of strategic allocations provision is made for 2,500 dwellings across the 8 Market Towns and Rural Areas (MTRA) to meet the requirements established in the LPP1. The LPP2 does not identify any growth to be distributed within the remaining 37 settlements within the district, other than, within the defined settlement boundaries or through infill development. The level of growth allocated to the rural areas should have been identified through a meaningful consideration of need, to ensure the ongoing overall vitality and viability of rural settlements across the whole district as required by §55 of the Framework. The level of growth aimed towards sustainable rural settlements is not sufficient to meet the housing needs of the rural population of the district and is wholly inadequate.
- 1.2.2 Whilst it is recognised that some of these villages are small scale and consideration of the setting and character of a settlement is important, these issues must be balanced against the needs of the local community for new housing, including affordable housing and the need to ensure the long term viability of the services and facilities within the village. It should also be recognised that

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<sup>5</sup> PPG Paragraph: 035 Reference ID: 3-035-20140306

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increasing the number of sites across the District with allocations for residential development will increase the rate of housing completions.

- 1.2.3 The role to which rural areas can support the wider economy and the needs that those areas have are well documented in the recent government publication the *Rural Productivity Plan*. Furthermore Gladman have worked closely with Rural Solutions<sup>6</sup> in a number of areas to highlight the need for rural areas to accommodate some level of growth to maintain and enhance the services provided for local people. To not provide growth to rural areas is to risk them entering a spiral of ever ageing population and an ever reducing number of services. These issues and the role rural areas play in meeting the governments housing and economic targets are explicitly outlined in both the Framework and the *Rural Productivity Plan*. That document explicitly states in section 8 that:-

*"The government will increase the availability of housing in rural areas, allowing our rural towns and villages to thrive, whilst protecting the Green Belt and countryside."*

- 1.2.4 Sustainable development is not wholly about urban areas and the delivery of large urban extensions, and although these sites will eventually come forward, this must not be at the expense of ignoring rural settlements across the district by allowing a reasonable level of growth to meet both local and district housing needs. We therefore contend that the LPP2 lacks consideration for lower order settlements that contain a variety of facilities such as education facilities, shops, community facilities, local bus services and employment. Gladman consider that further housing is necessary in order to ensure that the viability of these services and facilities continues into the future.
- 1.2.5 Finally, the lack of housing identified in the rural area is further exacerbated when taking into account the chronic affordability issues in the district. This together with the chronic shortfall that **is likely due to arise as a result of the Council's SUEs failing to come forward will likely result in a significant housing shortage with no contingencies in place to address the shortfall.**

**1.3 iv) Should the Plan address contingencies/alternatives, including in relation to the site allocations, in the event that development does not come forward as expected?**

- 1.3.1 Gladman consider that it is necessary that the Plan address contingencies in relation to site allocations in the event that development does not come forward as expected. Gladman would be **supportive of an approach which provided surety and flexibility in the Council's housing supply, especially given the reliance of the Council's large SUEs.** Over-allocating above the housing requirement is prudent sound planning, but should not be considered as justification to be used to calculate 5 year housing land supply or to represent an interim housing target purposed to be developed from an assessment of the **District's full OAN. It is not within the scope of this examination to set an interim housing target through the over allocation of sites for the**

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<sup>6</sup> Effective Spatial Planning – Unlocking the Potential of Rural Areas  
<http://www.gladman.co.uk/uploads/images/TheSource/links/Spatial%20Planning%20Brochure.pdf>

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determination of Section 78 appeals, even if that approach was a sensible or lawful approach for such a forum as this would not be derived from a full OAN.

1.3.2 However, we recognise that over allocating sites at this stage in the Plan making process would alter the spatial strategy as proposed by the LPP2 and would result in a Plan that was significantly different than the one originally proposed. In our view, the only alternative available would be to withdraw the LPP2 in favour of a Local Plan which incorporates a Framework and PPG compliant housing requirement together with specific allocations to meet that requirement. Whilst this would be undesirable, we make the following points:

- Such an approach would avoid the need for an early review of a Site Allocations DPD which relied upon what is considered to be an out-dated housing requirement figure that does not take into account market signals uplift;
  - It would comply with the clear policy objectives in the Framework and the methodology set out in the Planning Practice Guidance;
  - The work already carried out in relation to the proposed allocations in the market towns and rural areas would not be entirely wasted since evidence as to their deliverability has already been carried out.
  - The timeframe for publication and examination of a new Local Plan should not be overly lengthy as it will build upon the existing evidence of proposed allocations.
  - Insofar as any delays are concerned, they can be laid almost entirely at the door of the local planning authority who have failed to ensure a sufficient range of sites are allocated across the district, specifically the market towns and rural areas.
-