

## **Executive Leader announcement on the Local Plan and Housing Delivery Test Feb 1, 2021**

Members will be aware that the Local Plan consultation closed just before Christmas, and it is appropriate to update Executive members on the topic, given a Government announcement on the standard methodology which was made in the final few days of our consultation.

We received over 300 responses to the consultation and there were over 1,300 visitors to the Virtual Exhibition, which we trialled for the first time. Officers have been through every response and are in the process of preparing a summary to publish, in line with the regulations governing Local Plan preparation. A summary of the responses will be shared with the Planning and Development Scrutiny Panel later this month.

The Publication Local Plan, which Full Council approved as the version to submit to Government for examination, was based on a level of housing need in a proposed revised standard methodology that the Government consulted upon in August of last year. The Council acknowledged the risk of consulting on the proposed lower figure, and the Local Development Scheme is written in such a way to state clearly that submission to Government would only take place when the Government confirms any changes to the standard methodology. On the 16<sup>th</sup> December, two days before our consultation closed, the Government confirmed the use of the existing standard methodology and in fact, made no changes to how the housing requirement should be calculated for Fareham.

In specific terms, the Borough's annual housing need is now confirmed as 508 homes per year, as opposed to the figure of 403 homes per year that the Publication Local Plan was based upon. The consequence of this is that Council must revisit the housing requirement, and the proposed sites required to meet this higher number in an amended version of the Publication Local Plan. Through this process we will also need to revisit the unmet need arising from neighbouring authorities now that their housing numbers are also confirmed. Amendments may be put forward both in light of the Government announcement on housing need but also the responses we have received to this consultation and the Council will carefully consider alterations in order to add greater certainty to the plan being found sound at examination.

The intention is a further consultation on changes to the Publication Local Plan in early summer after the necessary technical work has been undertaken. The Local Development Scheme will be revised accordingly. This will be presented to Members for pre-scrutiny Executive approval and Council sign off during late spring.

It is also appropriate to advise the Executive and all Members of the outcome of the Housing Delivery Test for the years April 2017 – March 2020 which were published last month. Each year the Test looks back at housing completions over the previous years against Government-set housing requirements for the Borough. 79% of the homes that we needed for that period were built in the Borough, with the housing requirement we are judged against rising over each of the three years. The Housing Delivery Test results mean that we need to apply a 20% buffer to our five-year housing land supply and prepare a Housing Delivery Action Plan.

This means that we will need to find sites for, and grant planning permission for, more homes that can deliver in the short-term. The Local Plan will play a key role in this frontloading of housing delivery and this is why delivering the Local Plan will be a focus of the Action Plan that we must produce for Government in the next six months.

At the same time as the Housing Delivery Test targets for Fareham are rising year-on-year, the Borough has been unable to respond to this challenge due to our inability to issue many residential permissions since February 2019 due to the concern identified as to the impact of development-related nitrates on the protected habitats in the Solent.

At its peak, we had almost 1400<sup>1</sup> homes tied up in planning permissions that could not be issued solely because of the nitrates issue. Against an annual housing requirement of around 500 homes this backlog is clearly significant. The Council has been at the forefront of nitrate mitigation solutions working with landowners, developers, the Hampshire and Isle of Wight Wildlife Trust, Natural England and other authorities to develop solutions that mean we can now issue permissions but still there is no single long-term solution at present time and work to ensure a continued supply of mitigation options and 'nitrate credits' continues.

Going forward, we know that due to the backlog of permissions that we have not been able to lawfully issue over the last three years, we face a difficult period over the next few years because of our likely poor performance against the 'backward-looking' Housing Delivery Test.

That is why we continue to lobby hard both through PfSH and separately as Fareham to raise this issue with Government to ensure that they support us in the position that, despite our best efforts to issue planning permissions and proceed with the Local Plan, we are being penalised by events out of our control. I hope to be able to report some favourable outcomes from those discussions at a future meeting.

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<sup>1</sup> PfSH report Feb 2020