

26 March 2021
Delivered by email

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Fareham Borough Council
Civic Offices
Hampshire
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Dear Richard,

LAND SOUTH OF FUNTLEY ROAD, FUNTLEY

On behalf of Reside Homes, I am writing to confirm our client's proposed Section 106 Planning Obligations and to provide further clarification on the overall benefits of the scheme in relation to the current proposal for 125 units on land south of Funtley Road, Funtley, (planning reference P/20/1168/OA).

Housing Need and the presumption in favour of sustainable development

In November / December 2020, the Council consulted on the Publication Local Plan, with housing need being based on the Government's emerging revised standard methodology at that time. Two days before the consultation closed, the Government confirmed the use of the existing standard methodology rather than the revised version. The consequence of this is that the Council must now revisit the housing requirements in the Local Plan and the proposed sites required to meet this higher number. The Borough's annual housing need was confirmed as 508 homes per year, as opposed to the figure of 403 homes per year that the Publication Local Plan was based upon. On 25th March 2021, the Government released new affordability ratios for all Local Authorities in England. These new ratios alter the scale of the affordability uplift applied to the baseline at the second step of the standard method, before the resultant figure is capped. The Council's annual housing need, based on their updated affordability ratio, is now 540 homes per year, an additional 38 homes per year.

The result of this is the need to find an additional circa 2,700 homes over the plan period. This additional requirement will also have impacts on any proposed landscape designations and the proposed strategic gaps.

The Council's Executive Leader confirmed on 1st February 2021, that *'amendments to the Local Plan Review 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'*.

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In February 2021, the Housing Delivery Test (HDT) results were published. The HDT confirmed that the Council had only delivered 79% of the homes that were needed during the plan period. As such, the Council will be required to add a 20% buffer to the five-year housing land supply and prepare a Housing Delivery Action Plan over the next 6 months. A presentation was given to the Members of the Planning and Development Scrutiny Panel in February 2021, explaining the implications of the outcome of the HDT. The presentation confirmed that only 285 homes were built in the Borough last year, of which only 27 were affordable. It is clear that the council are seriously struggling to deliver their housing requirement and, without an updated plan in place, this is unlikely to improve any time soon.

As set out in the Planning Statement, submitted in support of the application, it is acknowledged that the Council is unable to demonstrate a deliverable five-year housing land supply.

Consequently, the policies relating to the supply of housing (i.e. CS2, CS6 and CS14) should be considered out of date and the approach set out in paragraph 11(d) of the NPPF (2019) is engaged. There is no restriction imposed on the proposal as a result of paragraph 11(d)(i) of the Framework, as nutrient neutrality will be achieved and as such, there is no clear reason for refusing the development due to its impact on habitats sites.

Consequently, national and local planning policy indicates that the 'presumption in favour of sustainable development' (i.e. the 'tilted balance') as set out in paragraph 11(d)(ii) should be applied in this case and that planning permission should be granted unless any *adverse impacts* of doing so would *significantly and demonstrably* outweigh the benefits, when assessed against the policies of the NPPF as a whole (Turley emphasis).

As we set out below, the proposal offers a number of major benefits and would result in sustainable development in accordance with the Framework. Through the consultation process there have been no adverse impacts of granting permission identified by the Council which would significantly or demonstrably outweigh these benefits. It is important to note that the only designation affecting this site and the proposed scheme is the site's location in the Countryside. However, Policy DSP40 specifically allows for development to take place in the Countryside, where there is a demonstrated shortfall in the council's 5YHLS, as is the situation here. These benefits of the scheme are set out within the Planning Statement, submitted in support of the application. A summary of the key benefits are set out below.

Of course, it is highly material that the principle of development at this site has been established with the granting of outline consent (planning reference P/18/0067/OA) in September 2020.

Although no weight can be given to the emerging Local Plan at this time, for the reasons set out above, this site has however been included as a draft allocation in all versions of the draft Plan. This indicates the Council's support for the development of this site in principle. Our clients have repeatedly stated (and consistently promoted the site for circa 120 homes) that the site can acceptably yield more than 55 dwellings, and has noted on numerous occasions that the Council has failed to provide any substantive evidence as to how it came to that figure. Conversely, our client has undertaken significant work, as set out in this application, which demonstrates how a higher quantum of development can be satisfactorily accommodated on this site.

SCHEME BENEFITS

Affordable Housing and provision of market housing

The proposed development will deliver affordable housing fully in accordance with the policy requirement of 40%. On this basis, and applying the capacity of up to 125 dwellings, the proposal is

capable of delivering 50 affordable dwellings. Between 2019/2020, only 27 affordable homes were built across the whole of the Borough, this therefore represents a major provision of this much needed tenure.

The provision of both market and affordable housing should be given significant weight in the decision making process, given the Council's poor performance in delivering homes, including affordable homes.

Self-Build Homes

The application sets out provision for 6 self-build units, which will assist the Council in meeting its obligation with regard to meeting the needs of those who wish to develop their own homes. The provision of self-build housing is a further significant benefit of the proposal. Given the current waiting list, the provision of these plots should be given significant weight.

Highways

In terms of highways, the proposed scheme comprises of the following key features:

- The applicant has confirmed their agreement to provide a suitable layout to enable a bus to suitably access the site and turn, inclusive of bus stop facilities in an appropriate location(s). The route and turning provision within the site can be discussed in more detail as part of any reserved matters planning application;
- The facilities on-site can be secured via the Section 106 agreement, which would require the layout and turning facilities appropriate to serve the bus route to be provided at an agreed point in time;
- An amended 'Site Access Junction' drawing (Reference 1908016-01B) has been prepared which shows a 6.75 metre wide access road at its junction with Funtley Road. This is to ensure that the bus can access the site;
- Currently the route 20 bus service passes along Kiln Road and Thames Chase to the south of the M27 motorway. The lack of any suitable turning facilities within Funtley has left Funtley without any dedicated bus provision since early 2020. Securing a suitable turning facility within the site would allow the existing route to be redirected back via Funtley, as per the arrangement pre 2020;
- The development will secure provision of a pedestrian and cycle public right of way through the site from Funtley Road (north) to Thames Drive (south); associated works to upgrade the bridge over the M27 motorway (including structural survey) and a commuted sum for future maintenance;
- Footway improvements can be secured on Funtley Road via vegetation clearance within highway land;
- The development proposes additional footway links on Funtley Road to improve access from the site to the wider footway network;
- Fareham railway station is located within cycle distance of the site, providing links to Southampton, Portsmouth, Brighton, London Victoria and London Waterloo;

- Car and cycle parking for the development will be provided in accordance with the Fareham Residential Parking Standards SPD, with numbers and layout to be confirmed at the reserved matters stage;
- Servicing will be undertaken within the site, with the site able to accommodate the movements of a refuse vehicle entering and leaving the site in a forward gear;
- The development would generate additional vehicular trips in the morning and evening peak hours, equivalent to less than two vehicles every minute;
- To secure submission and implementation of a Travel Plan;
- The provision of a £150 voucher per household for the purchase of a bicycle;
- The provision of a £50 voucher per household for bus travel. Tickets could be purchased for the revised service that will pass through the development site;
- To secure a financial contribution towards the production of school travel plans in the area; and
- To secure a financial contribution toward the revision of the existing traffic regulation order (TRO) to allow the speed limit restrictions on Funtley Road to be amended (£5,000).

Overall, this package of works and provision should be given significant weight.

Provision of a Shop/Community Hall

The proposed development proposes the inclusion of a new shop/community facility within the scheme. The location of this is shown on the parameter plan and is included with the development description.

As with the previously approved scheme, a Section 106 Agreement will be entered into, to secure details of the delivery of the shop/community building, the transfer of land (0.1 hectares in size) on application site. The provision will be in accordance with the Heads set out further below in this letter. It is proposed the full clauses of the provision is a direct copy of the provision set out in the 55-dwelling scheme s.106 agreement.

Overall, this facility should be given significant weight.

Public Open Space (Community Park)

The proposal provides an opportunity to provide a significant quantum of additional public open space through provision of a new community park, formal village green and amenity space that will assist in addressing the identified open space deficiency in this settlement area. A new and Locally Equipped Area of Play is also proposed.

This new open space and community park will, through the provision of the new footpath/cycle link across the M27, also be accessible to those residents to south of the motorway, where there is identified severe shortfall in Parks and Amenity open space.

Provision of open space is significantly above that required by the Council's adopted SPD, and above that being sought by the emerging policy. This, together with the proposed new play space, is a considerable benefit weighing in favour of granting planning permission.

A Section 106 Agreement will be entered into, for the provision of, laying out and transfer of the community park land to Fareham Borough Council and a financial contribution towards the associated ongoing maintenance costs of operating the community park.

The Section 106 Agreement will also secure the on-site provision of public open space including local equipped area of play (LEAP) in accordance with the Council's adopted Planning Obligations SPD, a financial contribution towards associated maintenance costs and transfer of the public open space to Fareham Borough Council.

Overall, given the severe shortage of open space locally, this provision should be given significant weight.

Nitrate Mitigation

The development proposals (125 units) give rise to a nitrogen budget 67.3 kg/N which needs to be mitigated against. The open space (Community Park) associated with the development proposals forms a key part of the required mitigation and this is discussed below.

Under the current Natural England guidance, development associated with planning application P/17/1135/OA would in fact require 2.29ha of the community park. This leaves 5.14ha of the community park available, which equates to a credit of 41.12 kg/N based on the nitrogen load cited for lowland grazing (current use) and the proposed use as open space. This therefore leaves 26.2 kg/N to be mitigated.

The applicant has an agreement with the Warnford Estate and its proposal for reducing nitrogen across the estate. This program of work will create 'nitrogen credits', which can be used to offset the impact of nitrogen on a development site, to ensure nitrogen neutrality. The Warnford Estate is transforming current agricultural uses to new uses where nitrogen is no longer used, including tree planting and other habitat creation.

This scheme has been designed in close consultation with, and has the full support of, Natural England, The South Downs National Park Authority and The Forestry Commission.

It is proposed that the measures required to mitigate the Nitrogen budget associated with the development proposals will be delivered at the Warnford Estate.

As requested, we will confirm in writing Resides agreement with the Warnford Estate and the precise location of the parcel of land that will be allocated to this scheme (at Warnford Estate), to be used within the Section 106 Agreement .This proposal is supported by a Nitrate Budget and appropriate mitigation which demonstrates that nutrient neutrality will be achieved.

As such, and for clarity, paragraph 11(d)(i) of the Framework is not applicable in this instance as the evidence supporting this application demonstrates that the impact on habitat sites in the Solent will be mitigated and consequently there is no "clear reason for refusing the development proposed."

Solent Recreation Mitigation Strategy

A financial contribution towards the Solent Recreation Mitigation Partnership (SRMP) will be secured through a Section 106 Agreement, in order to mitigate the 'in combination' effects that an increase in residential units on the site would cause through increased recreational disturbance on the Solent Coastal Special Protection Areas.

Education

A Financial contribution will be secured through a S106 Agreement towards education provision. The applicant is currently in negotiations with Hampshire County Council on the total figure.

Sustainability

The proposed scheme will incorporate a range of measures to reduce carbon emissions, mitigating the effects of climate change, and adaptation measures to ensure the long-term resilience of the development to the effects of climate change. As a result of climate change, summer maximum temperatures are predicted to increase; during the design of the proposed development, a number of passive design measures will be considered.

The Sustainability Statement submitted in support of the application has highlighted that solar photovoltaics may be suitable for the proposed development. This will be confirmed at detailed stage and through a planning condition.

The proposed development will also aim to provide electric vehicle charging points for approximately 10% of homes. As a result of the energy measures, it is anticipated the development will exceed the requirements of the 2013 Building Regulations through a range of passive and active energy efficiency measures.

Overall, this provision should be given moderate weight.

Economic benefits

The proposed scheme represents an opportunity to support private sector investment into the local economy of Fareham Borough. The scheme will also deliver new homes and create a range of direct, indirect and induced economic impacts in the local area that are both quantifiable and non-quantifiable.

Some of the quantifiable economic impacts of the proposed development include:

- Injection of private sector investment into the Borough;
- Creating around 124 construction jobs;
- Creating 151 supply chain jobs supported over the 3 year build period;
- Helping to deliver a boost to the local economy through 'first occupation expenditure' of £688,000 on goods and services, a proportion of which will be retained locally;
- Generating £1.5 million of additional resident expenditure in shops and services, of which £626,900 will be net to local businesses within Fareham Borough. This increased expenditure will also support 16 jobs in the local area
- Delivering £216,000 of net additional Council Tax receipts per annum once the scheme is built-out and occupied, and in the region of £905,000 of New Homes Bonus payments over a four year

period(i.e. albeit profiled to reflect the build period for the development scheme). In addition, around £8,000 of business rates could be retained by the local authority per annum; and

- Providing circa £1.3m in planning contributions towards community infrastructure/services.

This demonstrates the scheme's strong delivery of one of the three key tenets of sustainability as set out in the NPPF. As such, this should be given moderate weight.

Section 106 Obligations

As set out above, the applicant is prepared to enter into a Section 106 Agreement with the Local Planning Authority to secure the affordable housing provision and any reasonable and necessary contributions towards infrastructure due to the impacts arising from the proposed development of the site. The exact details and requirements will be a matter for negotiation during the application process.

The proposed draft Heads of Terms are therefore currently as follows:

- a) To secure the delivery of 40% of the permitted dwellings as affordable housing;
- b) To secure six of the permitted dwellings as custom-built properties;
- c) To secure the layout and turning facilities appropriate to serve the bus route through the site;
- d) To secure provision of a pedestrian and cycle public right of way through the site from Funtley Road (north) to Thames Drive (south);
- e) To secure provision of, laying out (including provision of capital equipment required to establish the park) and transfer of community park land to Fareham Borough Council and a financial contribution towards the associated ongoing maintenance costs of operating the community park;
- f) To secure the on-site provision of public open space including local equipped area of play (LEAP) in accordance with the Council's adopted Planning Obligations SPD, a financial contribution towards associated maintenance costs and transfer of the public open space to Fareham Borough Council;
- g) To secure a financial contribution towards the Solent Recreation Mitigation Partnership (SRMP) in order to mitigate the 'in combination' effects that an increase in residential units on the site would cause through increased recreational disturbance on the Solent Coastal Special Protection Areas;
- h) To secure an education contribution;
- i) To secure a financial contribution towards the revision of the existing traffic regulation order (TRO) to allow the speed limit restrictions on Funtley Road to be amended (£5,000);
- j) To secure submission and implementation of travel plan;
- k) To secure details of the delivery of the shop/community building (of between 50-250sq.m), the transfer of land 0.1 hectares in size on application site. Any shop shall not exceed 150sq.m. Provision of the facility shall follow the following broad cascade:

- Provision of the facility by the developer/willing operator;
- Provision of the facility by the council with development funding on a pro-rata basis of £2,000 per sq. m of community use floorspace (to a maximum of £500,000);
- Where the facility is not provided on the site either in full or the full 250sq.m is not provided a prorated contribution will be made for the provision or improvement of community use facilities in Funtley.
- It is proposed that the s.106 clauses for the 55 -dwelling scheme is reused in full.

l) Travel Plan;

m) S278 off-site highway works; and

n) Nitrogen mitigation package.

Conclusion

The site already has a planning permission for 55 homes and is a proposed allocation in the emerging Local Plan Review. The site is located in the Countryside, where the adopted plan allows for development in circumstances where there a 5YHLS is not demonstrated (Policy DSP40) and is not affected by any other planning or environmental designations.

In line with national policy, there are no identified adverse impacts that would significantly and demonstrably outweigh the considerable benefits of the proposal as set out above.

The site is therefore considered to meet the requirements of paragraph 11 of the NPPF, and planning permission for the proposal should be granted accordingly without further delay.

Yours sincerely

Aaron Wright

Associate Director

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