

CABINET (LOCAL DEVELOPMENT FRAMEWORK) COMMITTEE

25 July 2007

CENTRAL HAMPSHIRE HOUSING MARKET ASSESSMENT – GYPSY AND TRAVELLER
ACCOMMODATION ASSESSMENT - PROGRESS REPORT

REPORT OF REPORT OF HEAD OF STRATEGIC PLANNING

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RECENT REFERENCES:

CAB 1472 - Winchester District Local Development Framework – Core Strategy – Progress Report – 7 June 2007.

CAB 1405 – Winchester District Local Development Framework – Evidence Base Update – 7 February 2007.

CAB 1328 – Winchester District Local Development Framework – Core Strategy – 11 October 2006.

EXECUTIVE SUMMARY:

An understanding of the housing issues facing the District and a robust assessment of housing need are key requirements of the Local Development Framework's evidence base for Winchester District. The preparation of a Strategic Housing Market Assessment (SHMA) is the approach advocated by the Government in PPS 3, and therefore the Central Hampshire Housing Market Assessment is being prepared by specialist consultants DTZ, who were jointly appointed by the 5 local authorities within the area.

The final SHMA is to be submitted to the 5 local authorities at the end of September 2007. This report outlines the work carried out so far and explains how the results will be presented to Members.

The report also includes reference to the requirement, under revised housing legislation and the new planning system, for the accommodation needs of gypsies and travellers to be met more effectively in the future and, as a result, to reverse past levels of under-provision which have led to caravan site and pitch shortages throughout the country, including Hampshire.

The report indicates the work being carried out to produce a Gypsy and Traveller Accommodation Assessment, on behalf of all the Hampshire and Isle of Wight authorities and the part that this will then play in the South East England Regional Assembly's 'Partial Review' of the South East Plan. This Partial Review will inform the policies in the Regional

Spatial Strategy, with the result that individual planning authorities will be allocated specific pitch requirements to meet gypsy and traveller needs for both permanent and transit accommodation, within their area.

RECOMMENDATIONS:

- 1) That the Committee notes the report and the opportunity to attend the presentation being given by the consultants on 24 July 2007 to explain the initial findings of the Central Hampshire Housing Market Assessment.
- 2) That the Committee notes the anticipated publication of a Hampshire Gypsy and Traveller Accommodation Assessment and that the findings of this Assessment will be reported to Members at the earliest opportunity.

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DETAIL:

1 Introduction

- 1.1 The Strategic Housing Market Assessment (SHMA) for the District will form an important part of the evidence base for the Core Strategy and other Local Development Documents.
- 1.2 The areas covered by housing markets are wider than District boundaries, and in Hampshire the areas being studied reflect the areas defined for the regional plan for the area - the South East Plan. This means that Winchester District falls into two housing market areas – South Hampshire and Central Hampshire.
- 1.3 In 2006, a SHMA was completed for South Hampshire. A further housing market assessment was also carried out covering parts of the authorities adjoining the West of Waterlooville Major Development Area, to inform the provision of market and affordable housing in the new community.
- 1.4 The five authorities within the Central Hampshire and New Forest areas therefore agreed to jointly commission a separate SHMA. These included Basingstoke and Deane Borough Council, East Hampshire District Council, New Forest District Council, Test Valley Borough Council and Winchester City Council.
- 1.5 Due to the complexity of this topic, this is an interim report to inform members of the stage the work has currently reached, and the programme for the completion of the final stages of the report.

2 Background

- 2.1 In February 2007, consultants DTZ were jointly appointed by the five authorities to carry out the SHMA. DTZ are experienced in this field as they carried out the study for SEERA which mapped the Housing Market areas in the South East Region, and they have also carried out the SHMAs for South Hampshire and West of Waterlooville.
- 2.2 The Central Hampshire and New Forest SHMA will take account of interaction with adjacent market areas, and the consultants' report will provide comprehensive information covering the whole of Winchester District in one document.
- 2.3 The SHMA is expected to:
 - develop a strong evidence base to improve understanding of the housing market for planning and housing purposes;
 - demonstrate the level and nature of housing need and demand within the SHMA area, to inform affordable housing policies and strategies;

- provide the evidence to develop fair and realistic affordable housing policies, informed by both housing need and the economics of development.

2.4 The SHMA is being prepared in three main stages:

- The **housing market assessment**: the geography of the housing market area and analyses of the drivers of housing demand and supply;
- The **housing need assessment**, which will establish the level of housing need in the housing market area by district;
- An **assessment of the viability** of different affordable housing policies.

2.5 To date the first two stages are complete in draft and are the subject of consultation with officers of the five Districts. The final stage is yet to be completed but the whole report is anticipated to be submitted to the five Districts by the end of September 2007.

3 Format of the Housing Market Assessment Report

3.1 The first stage of the report – the housing market assessment - explains how the housing market was defined, and examines its main drivers. It then examines the characteristics of housing supply and analyses evidence on house prices, household income and affordability. It compares the position in Winchester District to the other Districts involved in the SHMA, and to the regional and national averages.

3.2 This part of the report contains a substantial amount of detailed analysis and it would not be appropriate to set out the main findings without a full understanding of how the housing market operates within the District. This will be addressed fully in the final report.

3.3 However, it is already clear that the SHMA report will show that affordability of housing is likely to be a key issue to be addressed. Winchester has the highest average house prices in the housing market area (£308,000 average in December 2006), and is one of the most expensive areas in the South East Region.

3.4 The second stage of the report is the housing needs assessment, examining the level of housing need within the housing market area and the position within each District. It uses information from each Council's Housing Needs Register, household income data for the District, and Hampshire County Council household projections.

3.5 The report examines the number of households currently in housing need, and the number of new and existing households who are likely to fall into housing need in the future. This is then compared to the level of supply available to offset the level of identified housing need, and this is used to establish whether a shortfall in the amount of affordable housing likely to be delivered needs to be addressed.

3.6 This second stage report concludes with a section on how local development documents should address the mix of sizes and types of housing, including market and affordable housing, as required by Planning Policy Statement 3 on Housing.

- 3.7 The third stage is the viability assessment. This will allow a judgement to be made about how much affordable housing could be required on individual market led sites without stifling development because it is no longer worthwhile a developer developing or landowner selling. It will include the testing of policy options regarding the size of sites to which affordable housing requirements could apply and the percentage of affordable housing that could be required.

4 The Final Report

- 4.1 The SHMA will form a very important part of the evidence base for future housing policy, and therefore, on 24 July 2007, (6pm in the Wykeham Suite, Wessex Hotel) the consultants intend to give a special presentation on the initial findings to Winchester Members.
- 4.2 The conclusions will be used in the identification of Issues and Options, which is the next stage in the Core Strategy process.

5 The Accommodation Needs of Gypsies and Travellers

- 5.1 In addition to the current need for Strategic Housing Assessments, revisions under the Housing Act 2004 now require all local housing authorities to include gypsies and travellers in their accommodation assessments. This particular change is expected to form part of a more strategic approach, which includes the need for such authorities to draw up a reasoned scheme to demonstrate how the accommodation needs of these particular groups will be met, as part of their wider housing strategy.
- 5.2 The recently issued planning Circular: 'Planning for Gypsy and Traveller Sites' (1/2006), which replaced the earlier DOE Circular 1/94: 'Gypsy Sites and Planning', is specifically intended to address the issue of a general under-provision of sites for gypsies and travellers. In certain parts of the country, a historic and ongoing failure to make proper provision has resulted in a serious shortage of suitable accommodation for these recognised groups.
- 5.3 Consequently, the new Circular requires local housing and planning authorities to adopt a more pro-active stance in terms of encouraging and, where necessary, providing additional sites for permanent and/or transit accommodation, in all those areas where there is a recognised and quantified need.
- 5.4 However, under the new planning system, the Circular and the Government's Planning Policy Statement PPS.11: 'Regional Spatial Strategies' envisage a combined use of the South East England Regional Assembly's Regional Spatial Strategy, together with individual authority's Local Development Frameworks, in order to make robust strategic and locally-based assessments of what practical steps may have to be taken, in any given area.
- 5.5 This joint approach is designed to reverse past trends and help to deliver a better future provision which meets the legitimate accommodation needs of gypsies and travellers. In the longer term, this should also have the effect of reducing both direct and indirect impacts on local residents, business communities and local authorities.
- 5.6 In general terms, gypsies and travellers (including 'travelling show people') have not been included in past accommodation needs assessments by local authorities or other providers. However, under the provisions of the Housing Act 2004, which amend Section 8 of the Housing Act 1985, it is now a statutory requirement for all

local housing authorities to assess and act upon the accommodation needs of gypsies and travellers. Central to this process is that the accommodation needs of the gypsy and traveller population should be properly understood and that any such study of need is based on reliable data which can be directly compared to that relating to the rest of the population.

- 5.7 Data collected through a Gypsy and Traveller Accommodation Assessment (GTAA) process will, therefore, inform the preparation of Development Plan Documents and, in particular, the identification of specific sites to match the pitch requirements set out in the Regional Spatial Strategy's 'Partial Review'. Such an Assessment is currently being carried out on behalf of all the Hampshire authorities, including Winchester, Southampton and Portsmouth. Its findings are in the process of being finalised and made ready for publication.
- 5.8 These particular issues will be the subject of further reports to be put before this Committee, as additional information becomes available regarding the progress of the Partial Review and the likely breakdown of allocations to the Districts. The purpose of including a reference in this report is to alert Members to these additional aspects of housing needs assessment; which will be developed into a detailed and freestanding study, as part of the LDF evidence base.

OTHER CONSIDERATIONS:

CORPORATE STRATEGY (RELEVANCE TO):

The provision of affordable housing is a key priority. Both the SHMA and the GTAA form an essential part of the evidence base for the LDF, which must be sound and robust. The SHMA will also provide valuable information for the Council's Strategic Housing service.

RESOURCE IMPLICATIONS:

The appointment of consultants to undertake the Central Hampshire HMA is being jointly funded by the 5 authorities, together with a contribution from GOSE. Winchester's share is being jointly funded from the Strategic Planning and Strategic Housing budgets. The consultants appointed to undertake the Hampshire and the Isle of Wight Gypsy and Traveller Accommodation Assessment are being funded by all of the Hampshire authorities, including Southampton and Portsmouth. Winchester's contribution towards this cost has been funded from the Strategic Housing budget.

BACKGROUND DOCUMENTS:

None.

APPENDICES:

None.