

WINCHESTER DISTRICT LOCAL PLAN COMMITTEE

9 January 2004

CABINET

14 January 2004

HAMPSHIRE COUNTY STRUCTURE PLAN 'H4 MONITORING REPORT'  
AND DRAFT ADDENDUM TO 'IMPLEMENTING POLICY H4'

REPORT OF DIRECTOR OF DEVELOPMENT SERVICES

Contact Officer: Steve Opacic Tel No: 01962 848101

RECENT REFERENCES:

None

EXECUTIVE SUMMARY:

The Hampshire Strategic Planning Authorities (Hampshire County Council, Southampton and Portsmouth City Councils) adopted 'Implementing Policy H4' as Supplementary Planning Guidance' (SPG) in 2001. The SPG sets out the procedure by which the strategic authorities will decide whether any of the 'reserve' housing provision required by County Structure Plan Review's policy H4 should be released and, if so, where the release of housing should be located. The process for monitoring housing provision and whether a release is needed is set out in some detail in the existing SPG and the strategic planning authorities have recently published the draft 2004 H4 Monitoring Report. The Monitoring Report concludes that there is not currently a justification for the release of any reserve housing provision, but that this may be necessary in future and Districts should, therefore, continue to plan for it. Comments on the Monitoring Report are invited by 30 January 2004.

The existing 'Implementing Policy H4' SPG is not very clear about how the location of any reserve site release would be chosen, should this be necessary. A draft Addendum to the SPG has therefore been produced to provide greater clarity on this issue. The Strategic Authorities feel it is important to do this in advance of any reserve provision being triggered, so that the principles can be established and consulted upon in an impartial manner. The strategic authorities are seeking comments on the draft Addendum by 16 January.

This report recommends how the City Council should respond to the Monitoring Report and

the draft Addendum to the SPG. It recommends that the conclusions of the Monitoring Report and the Addendum be broadly welcomed, but that detailed comments be made on the Addendum, with regard to the weighting of the criteria for selecting the location of reserve sites.

RECOMMENDATIONS:

- 1 That the City Council welcomes the publication of the H4 Monitoring Report and draft Addendum to 'Implementing Policy H4' and thanks the Strategic Planning Authorities for the opportunity to comment.
- 2 That the recommended comments at Section 4 of the report be submitted as representing the City Council's views on the draft 2004 Housing Monitoring Report and draft Addendum.

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Report of the Director of Development Services

DETAIL:

1 Introduction

1.1 The Strategic Planning Authorities (Hampshire County Council, Southampton City Council and Portsmouth City Council) adopted 'Implementing Policy H4' as Supplementary Planning Guidance (SPG) in early 2001. The guidance (which can be viewed at <http://www.hants.gov.uk/structureplan/spgpolicyh4.html>) sets out how it is intended that policy H4 of the Hampshire County Structure Plan (Review), which deals with 'reserve' housing provision, should be implemented. This includes guidance on how the need for the release of reserve housing would be determined, taking account of regional planning requirements and monitoring of supply, and determining whether a 'compelling justification' for the release of reserve sites exists.

1.2 In accordance with the SPG, the Strategic Planning Authorities are required to produce an 'H4 Monitoring Report' annually. The draft Monitoring Report for 2004 has recently been published for consultation (and can be viewed at <http://www.hants.gov.uk/structureplan/monitoring/>). This report recommends comments on the H4 Monitoring Report.

1.3 Although the 'Implementing Policy H4' SPG sets out the process for the release of reserve housing provision, it does not go into much detail about the process of determining where any reserve releases should be, either in terms of the 3 sub-divisions of the County, or by District. A draft Addendum to the existing SPG has therefore been produced to give more detailed guidance on how the location of any reserve site releases should be determined. The Strategic Authorities feel it is important that this is done before any decisions on whether sites are needed so that consultation can be undertaken before any arrangements need to be brought into practice. The draft Addendum is published for comment and this report recommends comments that the City Council should make on it.

2 H4 Monitoring Report 2004

2.1 The Strategic Planning Authorities produce a Policy H4 Monitoring report annually to assess whether the provision of housing is meeting the requirement for Hampshire set out in Regional Planning Guidance (RPG9) and whether adequate performance is likely to be maintained. Depending on the results, the Strategic Authorities may need to trigger the release of some or all of the 'reserve' housing provision identified in Structure Plan policy H4.

- 2.2 Previous reports have indicated that, whilst provision has been somewhat below RPG requirements, the situation is expected to be rectified shortly and that adequate housing is expected to be completed over the Structure Plan period to 2011. The latest draft Monitoring Report for 2004 indicates that completions continued to rise in 2002/03, from a low point in 2000/01. Whilst completions were fractionally above the Structure Plan's 'baseline' requirement, they continued to be below the annual RPG requirement in 2002/03 (as they have been every year since 1997/98). Nevertheless, completions are rising, as are the number of planning permissions. The number of completions in 2002/03 was only 3% below that anticipated in last year's Monitoring Report and the draft 2004 Monitoring Report anticipates that completions will exceed the RPG requirement in almost every year until 2011. By this time the cumulative level of completions will have significantly exceeded the RPG requirement.
- 2.3 On the basis of these projections the Monitoring Report suggests that it will not be necessary to release any reserve provision in the coming year. The Report does, however, stress the importance of identifying reserve provision in local plans. This is because reserve provision may still be needed if sites from various sources (including MDAs) do not come forward as expected, or if the RPG housing requirement rises after 2006 (which Government has indicated it may).

### 3 Draft Addendum to 'Implementing Policy H4'

- 3.1 The strategic planning authorities have published the draft addendum for consultation and a copy is attached at Appendix 1. The main purpose of the Addendum is to provide further clarification of where any reserve housing provision would be released, if a need is identified. This is an area on which the adopted SPG gives little guidance and the strategic authorities wish to set out clear criteria for selecting reserve sites before it becomes necessary to release any reserve provision.
- 3.2 The Addendum deals firstly with the question of how to decide in which sub-division of the County provision should be released. Five criteria are set out (see Appendix 1, paragraph 3.1). These deal with matters such as how the area is performing in terms of meeting the 'baseline' housing requirement, the buoyancy of the housing market, housing affordability, labour supply/demand, and the size of any required release.
- 3.3 The Addendum then considers in which Districts any release should fall. Paragraph 4.2 sets out criteria, partly reflecting those referred to above. The additional criteria relate to the size of the release, when the release is expected to be needed, the housing market locally, and the need for affordable housing. It is notable that the criterion relating to the size of the release clarifies that the Winchester City (North) reserve MDA would only be released if all of the 2000 dwellings are needed, rather than as a partial release. The criterion relating to the timing of any release is also likely to be relevant to the reserve sites in this District, given the likely long lead-in time between the site being triggered and any housing being delivered.
- 3.4 With regard to consultation, the addendum suggests that consultation should take place on where any reserve release should be made, as well as on whether it should be made. The annual H4 Monitoring Report would firstly analyse whether there was a need for any reserve site releases (publication

in November of each year) and consult on its conclusions. The strategic planning authorities' Joint Advisory Panel (JAP) would consider any comments received and resolve whether a release was needed (in March each year). If the Monitoring Report had concluded that a release would be needed, the same JAP meeting would consider the factors in the Addendum and recommend where the release should be made. This decision would then be subject to consultation and the Portfolio Holders/Executive Member of the strategic authorities would consider the comments received and confirm (or not) where the release should be made.

- 3.5 The illustrative diagram accompanying the Addendum shows that, if the need for reserve provision is triggered in Districts that have not identified the reserve provision in their local plans, landowners/developers will take the lead in promoting sites through the development control/appeal process. This is confirmed in paragraph 6.3 of the Addendum.

#### 4 Officer Comments

- 4.1 It is recommended that the conclusions of the 2004 H4 Monitoring Report be welcomed by the City Council. In particular, the City Council should support the conclusion that no reserve provision needs to be made in its area for the coming year (paragraph 9.9) and the recognition that the location of any future reserve housing releases will not take into account whether a District has identified the reserve provision in its local plan (paragraph 9.11).

- 4.2 It is recommended that the City Council should welcome the publication of the draft Addendum and support the clarification that it will provide in advance of the release of any reserve provision. It is also recommended that the following more detailed comments be submitted to the strategic planning authorities:

- The criteria for determining in which County sub-division any release should be made are generally considered appropriate (paragraph 3.1). However, criterion (i) relating to whether the baseline requirement is being met, should be a prerequisite of any release in a particular sub-division. Only if criterion (i) is met should the other criteria come into play, as otherwise it could be argued that a release is justified on the basis of criteria (ii) – (v), even if there is no shortfall of housing provision projected in that sub-division;
- The criteria for determining in which District any release should be made are also considered generally appropriate (Paragraph 4.2). While it may exceptionally be necessary to release reserve provision in one District to meet shortfalls in the wider sub-division, the criteria should be amplified to make clear that this would only normally be done where there is also a shortfall of provision in the District concerned.
- The clarification set out in paragraph 4.2 criterion (ii), regarding the Winchester City (North) reserve MDA, is particularly welcomed.
- The remarks regarding the non-identification of sites made in section 6 are supported, especially paragraphs 6.2 and 6.3. The strategic authorities should do all they can to ensure that all Districts identify adequate reserve provision in their local plans.

5 Conclusion

- 5.1 The conclusions of the H4 Monitoring Report are that reserve site releases are not needed for the coming year, and this should be welcomed. The draft Addendum to the 'Implementing Policy H4' SPG will provide welcome clarification of the procedure for identifying where reserve provision should be released, if necessary. It is, however, recommended that the strategic planning authorities be asked to clarify some of the criteria for choosing the location of reserve provision, and make clear that the overriding consideration is whether there is a shortfall of housing provision compared to the baseline Structure Plan requirement.

OTHER CONSIDERATIONS:

6 CORPORATE STRATEGY (RELEVANCE TO):

- 6.1 The aims of the Corporate Strategy include looking after the built and natural environment for the benefit of future generations.

7 RESOURCE IMPLICATIONS:

- 7.1 None at present.

BACKGROUND DOCUMENTS:

None

APPENDICES:

Appendix 1: Draft Addendum to 'Implementing Policy H4' SPG