

Sent by email to: consultation@fareham.gov.uk

30/07/2021

Dear Sir/ Madam

Response by the Home Builders Federation to the consultation on the revised Fareham Local Plan

1. Thank you for consulting the Home Builders Federation (HBF) on the revisions to the Local Plan published last year. The HBF is the principal representative body of the housebuilding industry in England and Wales and our representations reflect the views of discussions with our membership of national and multinational corporations through to regional developers and small local housebuilders. Our members account for over 80% of all new housing built in England and Wales in any one year.

Strategic Policy H1: Housing Provision

The policy is unsound as it is not sufficiently flexible as required by paragraph 11 of the NPPF.

Housing needs

2. It is pleasing to see the Council act quickly to the announcement from the Government that they intended to continue with the standard method based on the 2014-based population projections. We would agree with the Council's assessment using the standard method and support the inclusion of an additional 900 homes to help address some of the unmet needs in neighbouring areas.

Housing Supply

3. Before submitting the plan, the Council must ensure the evidence base supporting this local plan includes a delivery trajectory for each allocated site. This will allow both representors and the Inspectors appointed to examine the local plan the necessary evidence to fully scrutinise the Council's delivery expectations. At present SHELAA sets out the sites that will come forward, but we could not find any evidence as to when each site will come forward. This is particularly important with regard to assessing the Council's five-year housing land supply estimates and whether or not the sites expected to come forward in the first five years are deliverable. We therefore reserve the right to comment on such evidence as part



of the examination in public if necessary. In the absence of this piece of evidence some broad concerns regarding housing supply are set out below.

4. In terms of overall supply, the Council's evidence outlines that there is sufficient land identified to deliver 10,594 new homes between 2021 and 2037. This is an 11% buffer between needs and supply. Whilst the HBF agree that there is a need for a buffer in overall supply, we would suggest that a larger buffer is needed to ensure that needs are met in full. When examining the degree to which supply should exceed minimum requirement to ensure needs are met consideration needs to be given to the degree to which the Council are reliant on strategic sites. The greater the reliance on one or more strategic scale sites to meet needs means that more flexibility should include in supply to ensure delays in the delivery of these sites do not compromise the deliverability of the plan. The HBF is supportive of the strategic allocations that have been included in this local plan which provide opportunities to meet development needs well into the future. However, their scale and complexity does mean that timescales for delivery can slip and as such there can be a risk of the housing requirement not being met without a more substantial buffer in supply being provided.
5. In considering the speed at which sites can come forward it is helpful to examine the Lichfield report Start to Finish¹. The latest edition of this report outlines not only the timescales it takes for larger sites to commence and the rate at which such sites deliver new homes but also the variability between sites. With regard to when the first home will be delivered figure 4 from the report shows that the average planning approval period for those sites of 2,000 or more units in the study was 6.1 years with 2.3 years between approval and first delivery. However, this is an average with some sites delivering more quickly and some being considerable slower to move through the planning process. Similarly build out rates vary significantly. Table 4 and Figure 8 of Start to Finish show that sites of more than 2,000 homes deliver on average 160 units per annum with average delivery ranging from 50 dpa to around 300 dpa. It is therefore important to recognise that there is potential for delivery on the larger sites allocated by the Council to vary considerably. The NPPF establishes in paragraph 11 that local plans should be sufficiently flexible to adapt to rapid change and at present we do not consider the 10% buffer being proposed provides the necessary degree of flexibility required.
6. In order to provide the necessary flexibility required by the NPPF the HBF considers a 20% buffer between the housing requirement and expected supply over the plan period. This level of additional planned supply above the requirement would ensure that there is sufficient scope within the plan to take account of any unexpected delays in delivery whilst avoiding the need for the plan to be updated. In particular it is important to ensure supply in the early years of the plan remains flexible and can take account of any delays so we suggest more smaller sites are allocated that will come forward in the first five years of the plan.

¹ Start to Finish (Second Edition) Lichfields (2020) <https://lichfields.uk/content/insights/start-to-finish>

HP5: Provision of Affordable housing

This policy is unsound as it is inconsistent with national policy.

7. Firstly, we welcome recognition in paragraph 5.33 that, in line with the viability evidence, this policy will not apply to housing for older people. However, rather than make this statement in the supporting text we would suggest that it is set out in policy to ensure it is given the necessary weight in decision making.
8. Secondly, the Council will need to consider whether it would be appropriate to include the requirement that 25% of affordable homes are delivered as First Homes in this policy. Whilst the Written Ministerial Statement and PPG set out the transitional arrangements that do not require TWBC to include the 25% First Home requirement in their affordable housing policy PPG does state at paragraph 70-019 that inspector may wish to consider at the examination of a local plan whether an early update of the plan would be appropriate to take account of this change to national policy. Rather than include an early review of the local plan to amend policy H3 we would suggest that the requirement is included prior to the plan being submitted for examination.
9. Finally, we continue to consider the policy requirement regarding affordable home ownership to be inconsistent with paragraph 64 of the NPPF. This paragraph expects 10% of all homes on major development involving housing provision to be available for affordable home ownership, however at present still only requires 10% of all affordable housing to be available for affordable home ownership. This inconsistency with national policy should be amended.

Conclusion

10. We hope these representations are of assistance in taking the plan forward. As stated in our previous representations we would like to participate in the hearings in order to ensure the views of our members are reflected in these discussions.

Yours faithfully



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