

BUILDING

A BETTER FUTURE

Five Year Housing Land Supply Update

March 2023



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1. Housing Requirement

The Standard Method

- 1.1 The Core Strategy (Local Plan) was adopted by Havant Borough Council more than 10 years ago (March 2011), and the Havant Borough Local Plan was withdrawn from examination in March 2021. Havant Borough Council's 'Building a Better Future Plan' is in progress and consultation on the regulation 18 stage was carried out between October-November 2022.
- 1.2 The National Planning Policy Framework (NPPF) states that *“Local planning authorities should identify and update annually a supply of specific deliverable sites to provide a minimum of five years’ worth of housing against their housing requirement set out in adopted strategic strategies, or against their local housing need where the strategic policies are more than five years old.”* The latter should be calculated using the standard method (SM) set out in the Planning Practice Guidance.
- 1.3 The standard method (SM) used for the calculation of housing has produced a significantly high and unachievable yearly housing target for Havant Borough. The council has raised concern with the Government over using the standard method however, despite updates being made to the National Planning Policy Framework, no alternative way of calculating housing need has been provided. Therefore, the SM has to be used to calculate the housing requirement.
- 1.4 The Planning Practice Guidance sets out how the standard method is used to calculate an annual local housing need figure¹. Step 1 indicates that the baseline should be set using the most recent household projections which is now being supplied by the Office for National Statistics since January 2017. A baseline of 2014 has been used to calculate the projected average annual household growth over a 10-year period. The method provides an annual number which can be applied to the whole plan period.
- 1.5 The methodology also confirms that the current year should be used as the starting point to calculate growth over that period which shall be used.
- 1.6 The baseline is then adjusted to take account of the local housing affordability data which compares the median average of house price of properties sold in the Borough over the year ending in September to the median average income of people working in the Borough according to earnings sample saving sample survey data.
- 1.7 A cap may be applied where there is a 40% increase over the projected household growth, or the housing requirement set out by the Core Strategy whichever the higher. In this case, the projected household growth is the greater of the two figures. However, when 40% is applied to the projected household growth, this figure is greater than the minimum annual housing need figure. As such no cap is applicable.
- 1.8 In summary, the minimum annual housing need figure is calculated as follows:

¹ [Paragraph: 004 Reference ID: 2a-004-20190220 Revision date: 20 02 2019](#)

Table 1: Minimum annual housing need figure for Havant Borough	
Stage 1: Setting the baseline	
Average household growth in Havant Borough between 2022-2032 58,700 households in 2032 <u>54,976 households in 2022</u> 3,724 households growth 2022 - 2032 / 10-year period = 372.4	372.4
Step 2: An adjustment to account for affordability	
2021 median workplace-based affordability ratio for Havant Borough	10.17
Adjustment factor ² $\left(\frac{\text{Local affordability ratio} - 4}{4}\right) \times 0.25 + 1$ 10.17 (local affordability ratio) - 4 = 6.17 6.17 / 4 = 1.5425 1.5425 x 0.25 = 0.385625 0.385625 + 1 = 1.385625	
The minimum annual local housing need figure for Havant Borough (adjustment factor) x projected household growth 1.385625 x 372.4 = 516.00 The resulting figure is 516 (rounded).	516
Step 3: Capping the level of any increase	
<p>The Local Plan (Core Strategy) was adopted in March 2011 and was therefore adopted more than 10 years ago. A cap may therefore be applied whichever is the higher of:</p> <ul style="list-style-type: none"> • 315 dwellings per annum set out by Policy CS9 of the Core Strategy • 372.4 based on average annual household growth 2022-2032 (as per step 1) <p>The cap is set at 40% above the higher of the most recent average annual housing requirement figure, or average household growth. In this case, the household growth is the greatest figure:</p> $\text{Cap} = 372.4 + (40\% \times 372.4) = 521.36$ $372.4 + 148.96 (40\%) = 516$ <p>The minimum annual local housing need figure (516) is no greater than the capped figure (521.36). Therefore, no cap is applicable.</p>	
Step 4: Cities and urban centres uplift	

² As the 2019 affordability ratio for Havant Borough has a value greater than 4, an adjustment factor should be applied: No adjustment is applied where the ratio is 4 or below (as set out in Step 2 of the standard method).

Table 1: Minimum annual housing need figure for Havant Borough

Havant is not one of the urban local authorities in the top 20 cities and urban centres list³ and therefore no 35% uplift is applicable. The annual housing need figure for Havant is therefore **516 dwellings per annum**.

Addressing the shortfall

- 1.9 The Planning Practice Guidance (PPG) indicates that any shortfall should also be included in the requirement for the first five years⁴. This results in a five-year supply requirement over and above the local housing need figure.
- 1.10 The PPG⁵ advises: “Where the standard method for assessing local housing need is used as the starting point in forming the planned requirement for housing, Step 2 of the standard method factors in past under-delivery as part of the affordability ratio, so there is no requirement to specifically address under-delivery separately when establishing the minimum annual local housing need figure.”
- 1.11 As such the calculated shortfall of 761 dwellings shall not be included within the Borough’s 5 year supply calculations.
- 1.12 As set out in the [Assessing Housing Need for the Plan Period \(2016-2037\) Paper \(August 2020\)](#), the Council has a stepped housing need requirement during the 2016/17-2021/22 period. This is due to the introduction of the Government’s standard method for calculating housing need in 2018. Prior to this, the PUSH [Strategic Housing Market Assessment](#) and [Objectively Assessed Need Update](#) provided an objectively assessed need (OAN) figures which can be seen in Table 2.

Table 2: Assessing the shortfall against the housing requirement (2016/17-2021/22)

Year	Net completions 2016/17-2021/22	Requirement 2016/17-2021/22	Source	Shortfall/Surplus (cumulative)
2016/17	649	450	PUSH SHMA	+199
2017/18	290	450	PUSH SHMA	-160 (+39)
2018/19	267	479	Standard method	-212 (-173)
2019/20	366	486	Standard method	-120 (-293)
2020/21	293	504	Standard method	-211 (-504)
2021/22	259	516	Standard method	-257 (-761)
Total	2,124	2,885		-761

⁴ [Paragraph: 022 Reference ID: 68-022-20190722](#)

⁵ Planning Practice Guidance: [Housing supply and delivery](#). Published 22 July 2019. Paragraph: 031 Reference ID: 68-031-20190722

Identifying the appropriate buffer

- 1.13 The NPPF requires an appropriate buffer (moved forward from later in the plan period) to be added to the supply of specific deliverable sites. The minimum buffer is 5% but this increases to a buffer of 20% where there has been significant under delivery of housing over the previous three years. This is to improve the prospect of achieving the planned supply. The latter is measured against the Housing Delivery Test (HDT) where this indicates that delivery was below 85% of the housing requirement.
- 1.14 A 10% buffer should be added to the housing requirement where the local planning authority (LPA) wishes to confirm a 5 year housing land supply through the examination of plan policies. This is to account for potential fluctuations in the market over the year to ensure the 5 year land supply is sufficiently flexible and robust.
- 1.15 The latest 2021 HDT results were published in January 2022 and gave a measurement of 74% for Havant Borough. This measurement indicates that it is appropriate to apply a 20% buffer for the purposes of calculating five-year supply.

Five Year Housing Requirement

- 1.16 Based on a minimum annual housing need requirement of 516 dwellings, there is a five year housing requirement of 2,580 dwellings. With a 5% buffer added to the 2,580 dwellings, the five-year supply requirement is 2,709 dwellings (rounded). With a 20% buffer added, the five-year requirement is 3,096 dwellings (rounded).

2. Five Year Supply

Assessing deliverable sites

- 2.1 The Planning Practice Guidance sets out what evidence is required to demonstrate that sites are deliverable. This has been followed in assessing whether sites should be included in the Council's five year supply of housing which is set out at Appendix 2. The council has taken a conservative view when determining what sites are likely to come forward within this period based on the definition of 'Deliverable' within Annex 2 of the NPPF.
- 2.2 For sites with detailed planning permission that have already commenced - numbers of dwellings are included within the 5-year supply for remaining dwellings to be completed from 1st April 2023. Annual site visits are conducted to confirm the progress of sites under construction and the trajectory has been updated accordingly. Trajectory and five-year supply figures are also updated based on communication with landowners and developers throughout the year.
- 2.3 This has been supplemented by the Council's communications with landowners and developers in February 2023, to establish the likely timescales for pre-applications and application submissions. Where there is clear pre-application work and intention to bring the site forward within five years, these sites are included.
- 2.4 For any larger sites, delivery is split across several years to reflect how sites are incrementally brought forward. This often means that delivery is expected to commence within the five-year supply period and continue beyond it.
- 2.5 Small site permissions of less than 5 dwellings are included within the five-year supply based on expected delivery and are discounted by 5% to allow for non-implementation. Please note that the small site permission figures presented below have not been adjusted to take this into account. This is because the figures would not otherwise reconcile with those included in the trajectory and would make an undiscernible difference to overall supply.
- 2.6 Windfall is excluded from five-year supply calculations to avoid double counting but is included in the trajectory from the plan period from the year 2028/29 onwards.

Specialist housing for older people

- 2.7 Planning Practice Guidance for specialist housing for older people was updated in 2019 and indicates that plan-making authorities may count provision for older people in Class C2 against their housing requirement⁶. To establish the amount of accommodation released in the housing market, the guidance indicates that authorities should base calculations on the average number of adults living in households using the published Census data.
- 2.8 Appendix 1 confirms that there is an average of 1.83 adults living in households in Havant. A ratio of 1.83 has therefore been applied to Class C2 accommodation. This includes 72 dwellings in the 5 year supply period.

⁶ Guidance - Housing for older and disabled people Paragraph: 016a Reference ID: 63-016a-20190626

Five Year Supply Position

- 2.9 Following the receipt of this year’s monitoring data, it is possible to provide an up-to-date supply position taking into account the requirement for housing and the identified supply over the next 5 years. As such, 2023/24 to 2027/28 is the relevant five year period for the purposes of calculating five year supply.
- 2.10 Communications with landowners and developers also took place in February 2023, to establish the likely timescales for pre-applications and application submissions to inform this data.

Table 3: Five Year Supply Calculation for period 2023/24-2027/28		
Calculating the required supply		Dwellings
A	Requirement 2023/24 – 2027/28	2,580
B	Five year requirement with 5% buffer	2,709
C	Five year requirement with 20% buffer	3,096
Identified Supply		
D	Supply over 5 year period 2023/24-2027/28	1,119
Five year land supply (expressed in years):		
Excluding buffer	$D / (A / 5)$	2.17
With 5% buffer	$D / (B / 5)$	2.07
With 20% buffer	$D / (C / 5)$	1.81

- 2.11 Based on the table above, the Council is able to demonstrate 1.81 years supply of housing with a 20% buffer. Excluding a buffer, the Borough’s housing and supply automatically increase to 2.17 years.

Appendix 1: Supply from older person's housing

Average Number of Adults per Household in Havant Borough

Using 2011 Census data, the following table details the average number of adults per household in the Havant local authority area, as well as providing a breakdown of the number of adults per household at the time this paper was written.

Average number of adults per household in Havant Borough	
Total Households	51,309
Havant Average Number of Adults per Household	1.83
Most Common Number of Adults per Household in Havant	2
Number of Adults per Household	Number of Households
1 adult in household	18,035
2 adults in household	26,284
3 adults in household	5,083
4 adults in household	1,519
5 adults in household	292
6 adults in household	81
7 adults in household	9
8 adults in household	5
9 adults in household	0
10 adults in household	0
11 adults in household	1
12 adults in household	0
13 adults in household	0
14 adults in household	0
15 or more adults in household	0

Older people’s housing which can be included housing land supply

The following table sets out residential institutions in Use Class C2 which are included in five year housing land supply.

Application Reference	Site Name	Number of beds
Permission APP/18/00450	Forty Acres, Havant	66
Permission APP/20/00761	Land on the east side of Helmsley House	64
a	Total	130
b	Average number of adults per household	1.8
c	Contribution from older people’s housing to five year supply (a/b)	72

Appendix 2: Deliverable Housing Sites

Five Year Housing Land Supply

Permission / allocation ref	Site name	Total Site Capacity	Total included in Five Year Supply	2023/24	2024/25	2025/26	2026/27	2027/28
Emsworth								
Large Sites with Detailed Permissions								
16/00774	Land at Selangor Avenue	54	9	9				
	West of Coldharbour Farm	44	44	14	30			
Perm (19/00854)	31A North Street	6	6	6				
Small site permissions (less than 5 dwellings)		16	16					
	TOTAL:	120	59	29	30	0	0	0
Sites with Outline Permission								
	TOTAL:	120	59	29	30	0	0	0
Potential Housing Sites								

Permission / allocation ref	Site name	Total Site Capacity	Total included in Five Year Supply	2023/24	2024/25	2025/26	2026/27	2027/28
	Land North of Long Copse Lane	260	0					
	Gas Site, North Street	25	0					
	Land at Fowley Cottage, Warblington Close	20	0					
	TOTAL:	305	0	0	0	0	0	0
Windfall		165	0					
	TOTAL Emsworth delivery	710	118	58	60	0	0	0
Havant & Bedhampton								
Large Sites with Detailed Permission								
(15/00303)	Former Oak Park School	99	0					
Perm (17/00694)	11 East Street	6	6	6				
(19/00427)	Land South of Lower Road	50	40	30	10			
Perm (20/00936)	5-7 East Street	8	8	8				
Small site permissions (less than 5 dwellings)		35	35					
	TOTAL:	198	54	44	10	0	0	0
Sites with Outline Permission								

Permission / allocation ref	Site name	Total Site Capacity	Total included in Five Year Supply	2023/24	2024/25	2025/26	2026/27	2027/28
(18/00450)	Forty Acres	273	223	50	50	50	50	23
(21/00605)	Forty Acres	34	34					34
(19/00007)	Camp Field, Bartons Road	70	70	3	48	19		
	Land at Palk Road	21	0					
(17/00863)	Southleigh Park House	90	0					
(18/01033)	Land East of Castle Avenue (Phase 1)	55	0					
	TOTAL:	543	327	53	98	69	50	57
Potential Housing Sites								
(18/01033)	Land East of Castle Avenue (Phase 2)	186	0					

Permission / allocation ref	Site name	Total Site Capacity	Total included in Five Year Supply	2023/24	2024/25	2025/26	2026/27	2027/28
	Portsmouth Water Headquarters	120	0					
	Littlepark House, Bedhampton	50	0					
	Helmsley House	15	0					
	Havant Town Centre	450	0					
	Havant College (H&SDC)	65	0					
	TOTAL:	886	0	0	0	0	0	0
Windfall		225	0					
	TOTAL Havant & Bedhampton delivery	1852	381	97	108	69	50	57
Hayling Island								
Large Sites with Detailed Permissions								
Perm (17/00529)	380 Sea Front	13						
Perm (19/00722)	Ward Court 65 Sea Front	5						
Perm (13/00317)	Yacht Haven Development Site, Copse Lane	2						
Perm (19/00324)	5-7 Station Road	19	19	19				
Small site permissions (less than 5 dwellings)		36	36	0				
	TOTAL:	75	19	19	0	0	0	0
Sites with Outline Permissions								
(18/01297)	Manor Nurseries	9	9	9				
(20/00015)	Pullingers (108-110 Elm Grove)	43	43		43			
	TOTAL:	52	52	9	43	0	0	0
Potential Housing Sites								

Permission / allocation ref	Site name	Total Site Capacity	Total included in Five Year Supply	2023/24	2024/25	2025/26	2026/27	2027/28
(18/00724)	Land north of Sinah Lane	195	195	15	40	45	45	50
	Rook Farm	0	0					
	Fathoms Reach	55	0					
	Beachlands	125	0					
	Northney Marina	40	0					
	Southwood Road	35	0					
	Eastoke Corner (north)	20	0					
	TOTAL:	860	195	15	40	45	45	50
Windfall								
	TOTAL:	240	0	0	0	0	0	0
	TOTAL Hayling Island delivery	1227	266	43	83	45	45	50
Leigh Park								
Large Sites with Detailed Permissions								
Small site permissions (less than 5 dwellings)		12	0					
	TOTAL:	12	0	0	0	0	0	0
Sites with Outline Permission								
(19/01166)	Colt Site, New Lane	94	44	44				

Permission / allocation ref	Site name	Total Site Capacity	Total included in Five Year Supply	2023/24	2024/25	2025/26	2026/27	2027/28
18/011009	Former Dairy Crest site, Dunsbury Way	73	73		73			
	Cabbagefield Row	116	0					
	TOTAL:	283	117	44	73	0	0	0
Potential Housing Sites								
	Riders Lane Allotments	65	0					
	SSE office site, Bartons Road	90	0					
	Strouden Court	40	0					
	Dunsbury Way (land at former Procter and Gamble site)	20	0					
	Leigh Park Centre	62	0					
	TOTAL:	277	0	0	0	0	0	0
Windfall		165	0					
	TOTAL Leigh Park delivery	737	117	44	73	0	0	0
Waterlooville								
Large Sites with Detailed Permissions								
Perm (10/00828)	MDA Newlands Phase 1 Hambledon Road	210	0					
(13/00804) (20/00357)	Woodcroft Farm	186	136	50	50	36		
(15/01235)	Woodcroft Primary School	31	21	21				
(16/00963)	81C The Clock House London Road	28	0					
PA (19/00533)	Fernwood House, 45-47 London Road	8	8	8				
Small site permissions (less than 5 dwellings)		27	27					
	TOTAL:	490	165	79	50	36	0	0
Sites with Outline Permissions								
	TOTAL:	0	0	0	0	0	0	0

Permission / allocation ref	Site name	Total Site Capacity	Total included in Five Year Supply	2023/24	2024/25	2025/26	2026/27	2027/28
Potential Housing Sites								
(19/00224)	Padnell Grange	84	0					
	Campdown	650	0					
	Goodwillies Timber Yard	96	0					
	Former South Downs College Car park	95	0					
	Blue Star	50	0					
	Land at Waterlooville Golf Club (Land off Anvil Close)	45	0					
	Land North of High Bank Avenue	25	0					
	Waterlooville Town Centre	265	0					
	TOTAL:	1310	0	0	0	0	0	0
Windfall								
	TOTAL:	690	0	0	0	0	0	0
	TOTAL Waterlooville delivery	2490	165	79	50	36	0	0
Strategic site								
	Southleigh	800	0					
	TOTAL:	800	0	0	0	0	0	0

Permission / allocation ref	Site name	Total Site Capacity	Total included in Five Year Supply	2023/24	2024/25	2025/26	2026/27	2027/28
Older persons Housing								
	Various permissions	136	72	72	0	0	0	0
	TOTAL:	136	72	0	0	0	0	0
Totals for trajectory								
	Total permissions	895	297	171	90	36	0	0
	Total allocations with permission	998	555	135	244	69	50	57
	Total allocations	3634	195	15	40	45	45	50
	Total windfall	1485	0	0	0	0	0	0
	Sub-total:	7012	1047	321	374	150	95	107
	Southleigh	800	0	0	0	0	0	0
	Older persons housing	92	72	72	0	0	0	0
	TOTAL for trajectory	14916	1119	393	374	150	95	107

Appendix 3: Housing Trajectory

