

**CABINET****DATE OF MEETING: 3 JANUARY 2018****TITLE OF REPORT: HART LOCAL PLAN: STRATEGY AND SITES 2016-2032****Report of: Joint Chief Executive****Cabinet member: Councillor Graham Cockarill, Planning****1. PURPOSE OF REPORT**

- 1.1 This report seeks Cabinet approval, subject to Council endorsement, for the Proposed Submission Version of the Hart Local Plan: Strategy and Sites 2016-2032 (PSLP) to be published and consulted upon, and also to give authorisation for the Plan subsequently to be submitted to the Secretary of State. This will enable the Council to progress its development plan.
- 1.2 The full PSLP document in 'draft committee format' has already been sent to Members and can be found online at [www.hart.gov.uk/january-meetings](http://www.hart.gov.uk/january-meetings). Subject to approval of Recommendation C below, any additional non-material minor changes, including editorial, typographical and grammatical amendments may continue to be made to the document prior to publication with sign-off from the Joint Chief Executive in consultation with the Cabinet Member for Planning.

**2. RECOMMENDATION**

- A. Cabinet considers the views and recommendations of Overview and Scrutiny Committee (2 January 2018);
- B. Cabinet approves the Proposed Submission Version of the Hart Local Plan: Strategy and Sites 2016-2032;
- C. Subject to Council endorsement of Recommendation B above, Cabinet delegates authority to the Joint Chief Executive, in consultation with the Cabinet Member for Planning to:
- a) publish the Proposed Submission Version of the Hart Local Plan: Strategy and Sites 2016-2032 and associated proposed submission documents for a six-week publicity period under Regulation 19 of the Town and Country Planning (Local Planning) Regulations 2012;
  - b) following the six-week publicity period, and publication of revised national planning policy relating to the assessment of local housing need, to submit the Proposed Submission Version of the Hart Local Plan: Strategy and Sites 2016-2032 and all associated documents, together with representations received, to the Secretary of State for independent examination under Section 20 of the Planning and Compulsory Purchase Act 2004

- c) make non material and minor changes<sup>1</sup> and corrections to the Hart Local Plan: Strategy and Sites 2016-2032 and supporting documents, including minor editorial, typographical and grammatical errors, up to and following plan submission and during examination.

### **3. BACKGROUND**

- 3.1 All local authorities are under an obligation to prepare a local plan. The Hart Local Plan: Strategy and Sites 2016-2032 (the Plan) will guide the scale, type and location of future land uses in the District up to 2032. Once adopted, it will replace many ‘saved’ policies in the Hart Local Plan 1996 – 2006 and will form the basis of determining planning applications in Hart.
- 3.2 If the Council were not to proceed with the preparation of the Plan, it would be at risk of intervention from the Government, whereby the Plan making process would be taken out of the Council’s hands. In addition there is further risk of little weight being given to existing local policies in the determination of planning applications and subsequent appeals.

### **4. THE COUNCIL’S OVERARCHING APPROACH TO THE LOCAL PLAN**

- 4.1 In preparing the Plan the Council’s overall strategic position was agreed in October 2016. It is to: *“Seek to meet Hart’s full, objectively assessed need for new homes, subject to the inclusion of an appropriate contingency to allow for any delays or the non-delivery of sites, and that it will also seek to accommodate any demonstrated unmet need for new homes from its Housing Market Area partners, and additionally provide for essential infrastructure including a site for a secondary school”*.

### **5. CURRENT STAGE**

- 5.1 The Council must publicise the version of the Plan that it intends to submit to the Planning Inspectorate for examination to enable representations to come forward that can be considered at examination. This is known as the publication stage. It differs from previous consultations as any comments made are considered by the examining Inspector.

### **6. THE EXAMINATION STAGE**

- 6.1 Having received any representations on the publication version of the plan, the Council should submit the Plan and any further minor adjustments it considers appropriate along with supporting documents to the Planning Inspectorate for examination on behalf of the Secretary of State.

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<sup>1</sup> - i.e. non-material and minor changes that do not affect the overall Strategy, arising from:

- completion of the evidence base;
- the draft and final National Planning Policy Framework or other Government Policy statements which affect the Submission Plan; and
- representations received on the proposed Submission Plan and any schedules of changes that the Council may wish the Inspector to consider as part of the Examination.

- 6.2 The Council cannot make substantive changes to the Plan after this stage without carrying out further consultation, but it can make minor clarifications or corrections. It is recommend that authority is given to the Joint Chief Executive in consultation with the Cabinet Member for Planning to enable any appropriate non-material and minor adjustments.
- 6.3 The examination starts when the Plan is submitted to the Planning Inspectorate and concludes when a report from the examining Inspector to the Council has been issued. During the examination the Inspector will assess whether the Plan has been prepared in line with the relevant legal requirements (including the [duty to cooperate](#)<sup>2</sup>) and whether it meets the tests of '[soundness](#)'<sup>3</sup> contained in the [National Planning Policy Framework](#) (NPPF)<sup>4</sup>.

## 7. PREVIOUS CONSULTATIONS

- 7.1 The Council undertook consultation in April 2017 on the Draft Hart Local Plan Strategy and Sites 2011 – 2032 (the Draft Plan). Prior to this the Council undertook:
- A sustainability appraisal scoping consultation in April/May 2014,
  - the Housing Development Options Consultation in August 2014, and
  - Refined Housing Options, New Sites Booklet, draft Vision and Priorities consultation in February 2016.
- 7.2 The Draft Plan consultation generated 1,226 individual responses with a total of 2,313 representations<sup>5</sup>. These responses, along with a technical evidence base have been used to inform the Proposed Submission version of the Plan. A range of comments were made on all aspects of the Draft Plan including:
- Comments on whether the housing numbers were too high or too low;
  - Whether the Council should be taking any unmet need from neighbouring authorities;
  - Objections in principle to a proposed new settlement at any location;
  - Comments on the proposed location of a new settlement at Murrell Green;
  - Comments on the location of a new settlement at Winchfield;
  - Site specific comments;
  - Comments on the absence of some of the evidence base;
  - Comments on infrastructure needs;
  - Detailed comments on the generic policies such as Historic Environment, Flood Risk, Affordable Housing and Housing Mix.

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<sup>2</sup> National Planning Policy Framework, CLG, March 2012 – paragraph 17

<sup>3</sup> National Planning Policy Framework, CLG, March 2012 – paragraph 182

<sup>4</sup> National Planning Policy Framework, CLG, March 2012

<sup>5</sup> A summary of the representations received to the Draft Plan can be viewed at [www.hart.gov.uk/january-meetings](http://www.hart.gov.uk/january-meetings)

## 8. OTHER CONSIDERATIONS

- 8.1 The PSLP has been informed by the findings and conclusions of an extensive range of technical evidence studies. These studies will be subject to final minor changes, including editorial, typographical and grammatical amendments prior to publication in February 2018. In preparing the PSLP, regard has also been paid to:
- National Planning policy and guidance, including the [Planning for the right homes in the right places consultation proposals](#), CLG, September 2017<sup>6</sup>;
  - Other Plans and Strategies;
  - [Background evidence studies](#)<sup>78</sup> including
    - Strategic Housing Market Assessment (SHMA)
    - Strategic Housing Land Availability Assessment (SHLAA)
    - High Level Housing Site Assessments and Sustainability Appraisal
    - Gypsy and Traveller Accommodation Assessment
    - Employment Land Review
    - Strategic Flood Risk Assessment
    - Landscape Capacity Study
    - Open Space Study
    - Playing Pitch Strategy
    - Built Facilities Strategy
    - Annual Monitoring Reports
    - Viability Study,
    - Retail Study;
  - Other planning legislation;
  - The outcomes of previous consultations and discussions with stakeholders; and
  - The emerging findings of the draft Transport Assessment, the draft Infrastructure Plan, draft Sustainability Appraisal, and draft Habitat Regulations Assessment of the Local Plan.
- 8.2 An Equalities Impact Assessment (EQIA) has also been carried out on the PSLP and it is published on the Council's Web site at [www.hart.gov.uk/january-meetings](http://www.hart.gov.uk/january-meetings).

## 9. COMMENTARY

- 9.1 The PSLP builds upon the April 2017 Draft Plan. It has been adjusted to reflect many of the comments received from both statutory consultees and other stakeholders, including residents.
- 9.2 This report concentrates on the most fundamental change from the Draft Plan which relates to the proposed approach to housing numbers and spatial strategy.

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<sup>6</sup> Planning for the right homes in the right places consultation proposals, CLG, September 2017

<sup>7</sup> <https://www.hart.gov.uk/Evidence-base>

<sup>8</sup> A series of Topic Papers are being produced to more fully summarise how the technical evidence, consultation feedback and Sustainability Appraisal have informed the preparation of the plan.

### The calculation of the need for new Homes.

- 9.3 When a Council prepares a new Local Plan, the most controversial issue is almost always the number of homes to be built. The existing NPPF and [Planning Practice Guidance](#)<sup>9</sup> (PPG) requires the preparation of a [Strategic Housing Market Assessment](#)<sup>10</sup> (SHMA) but the guidance is open to wide interpretation. This has meant that there is a great deal of uncertainty around the approach to SHMA methodology and the calculation of objectively assessed housing need (OAHN).
- 9.4 In response to concerns about delays in local plan making and the uncertainty in preparing SHMAs, the Government argued in the housing February 2017 White Paper: [Fixing our broken housing market](#),<sup>11</sup> that a standard approach to assessing local housing need would be simpler, quicker, and more transparent. In September 2017 the [Government consulted on proposals for a standard methodology for calculating local housing need](#)<sup>12</sup>.
- 9.5 The proposed new methodology affects individual authorities differently. The Government has published indicative local housing need figures for each local planning authority using its proposed methodology. This new method was based on the most up-to-date information available at the time of publishing the September 2017 consultation document, and could change rapidly over time.
- 9.6 The Government intends also to publish a draft revised NPPF early in 2018. The draft NPPF will reflect the Government response to its September 2017 consultation with a final version of the NPPF projected to be published in early Spring 2018.
- 9.7 Having regard to the Government draft transitional arrangements<sup>12</sup> the PSLP should **not be submitted to the Secretary of State before 31 March 2018 or before the revised NPPF is published (whichever is later)**. It is at this point in time that the new methodology will formally then be in place.
- 9.8 This does not prevent the Council in the meantime from publishing and consulting on the PSLP. The risk to the Council however, is that the Government does not proceed with the use of the methodology or that its implementation is delayed. In these circumstances the submission of the PSLP would inevitably be delayed because the Council may need to revisit the PSLP and its associated evidence base to adjust it to reflect the circumstances pertaining at the time – subject to the nature of any changes required, this may necessitate the rerunning of fresh consultation and assessment stages.

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<sup>9</sup> Planning Practice Guidance, CLG, November 2016

<sup>10</sup> <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

<sup>11</sup> Fixing our broken housing market, CLG February 2017

<sup>12</sup> Planning for the right homes in the right places consultation proposals, CLG, September 2017

## Benefits of the new approach

- 9.9 Adopting the Government’s proposed approach will offer significant benefits. It will provide a level of certainty and transparency by removing disputes where different methodologies have been used previously. Together with the proposed changes to planning guidance, this would mean that examining Inspectors would be able sign off more easily, and with considerably less scrutiny, the local housing need aspect of the plan. This will provide more certainty about an emerging plan’s soundness, as well as helping to speed up the plan examination.

## Implications of the new standard methodology for Hart and the Hart/Rushmoor/Surrey Heath Housing Market Area (HMA)

- 9.10 For Hart, the Government’s proposed approach would mean a 24% reduction in the annual requirement for new homes when compared to the current assessments of housing need (2016 SHMA). Across the HMA as a whole this would result in a 22% decrease annually.

	New Methodology (dpa)	HMA OAHN (2016) (dpa)	Net difference (dpa)
<b>Hart</b>	<b>292</b>	<b>382</b>	<b>-90</b>
Rushmoor	294	436	-142
Surrey Heath	352	382	-30
HMA	938	1200	-262

## The Plan’s Housing Target for Hart

- 9.11 The Government consultation standard methodology suggests an indicative annual housing requirement of 292 dwellings per annum (dpa) for Hart from 2016 as the **starting point** for determining the number of new homes to be planned for. The NPPF sets out that plans should be reviewed regularly<sup>13</sup> and the Government intends to make it clear in the NPPF that local plans should be reviewed every five years. This means that the local housing need figure will not remain static throughout the plan period. **There is therefore a need to build robustness into calculating Hart’s final housing target otherwise it is likely the Plan’s housing supply policies may quickly become out of date.**
- 9.12 The approach in the PSLP therefore, is to plan to deliver at least **388** homes per annum<sup>14</sup>, which is **6,208** homes over the plan period 2016–2032. In reaching this figure the start point is the Government’s proposed approach to calculating local housing need<sup>15</sup> but an uplift has been added to take account of
- contingencies (recognising that the housing need figures could change);
  - the need for flexibility to allow for the non-delivery of sites;

<sup>13</sup> National Planning Policy Framework, CLG, March 2012 - See in particular paragraphs 17 and 157, and the Local Plans section of the planning guidance

<sup>14</sup> This is very similar to the OAHN figure for Hart as set out in the SHMA 2016

<sup>15</sup> [Planning for the right homes in the right places, CLG, 2017.](#)

- potential future unmet need from Hart’s HMA partners;<sup>16</sup>
  - the need to deliver affordable housing; and
  - the need to ensure the best use is made of previously developed land.
- Appendix I to this report sets out further detail as to how the annual housing figure was derived.

### **The calculated supply of land to meet Hart’s Housing target**

9.13 The overall supply that is likely to come forward during the PSLP time period is set out in the Table attached at Appendix 2 to this report. Given existing commitments the supply demonstrates that the PSLP can deliver **6,346** homes through a combination of sites including sites within settlements, deliverable greenfield sites<sup>17</sup> and an allocation for a new community at Hartland Village on previously developed land. This is slightly more than the 6,208 PSLP target and hence adds a further flexibility to the Plan.

## **10. PLANNING AHEAD: NEW SETTLEMENT**

10.1 The PSLP recognises that additional land for housing and infrastructure, including a new secondary school, is likely to be needed in the longer term albeit it is not necessary to meet immediate Plan needs. The preference for meeting future growth needs is to plan for a sustainable new settlement, which is of sufficient size to support longer term housing needs and larger scale infrastructure needs beyond the plan period and meets the Council’s overall strategic approach as set out in Paragraph 4.1 above.

### **National Planning Policy context**

10.2 The NPPF acknowledges that the supply of new homes “...can sometimes be best achieved through planning for larger scale development, such as new settlements or extensions to existing villages and towns that follow the principles of Garden Cities...”<sup>18</sup> (paragraph 57). The Government has set out its intention to place a renewed emphasis on the delivery of new settlements via the strengthening of the NPPF to provide a more supportive approach for new plan-led settlements.

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<sup>16</sup> There is the matter of planning for unmet needs, i.e. planning in Hart to reflect the likelihood, or risk, of a shortfall in provision elsewhere in the HMA. The possibility of providing for unmet needs has been given close attention over recent years; however, by late 2017 the understanding is that the likelihood of unmet needs has significantly reduced. This is on the basis that the new proposed Government indicative housing need for Rushmoor is significantly below the figure provided for by the Proposed Submission Rushmoor Local Plan (as published in June 2017).

<sup>17</sup> i.e. greenfield sites that already have planning permission, or have a resolution to grant planning permission subject to the completion of a legal agreement

<sup>18</sup> National Planning Policy Framework, CLG, March 2012 – paragraph 57

- 10.3 The provision of a new settlement in Hart, therefore represents a suitable option for planning to meet future housing needs over the longer-term. Consideration still needs to be given to the size and nature of a new settlement and the role it can play in complementing the existing planned provision for housing across the District. At this stage therefore, there remains considerable flexibility in determining exactly what a new settlement might look and feel like in Hart.

### **Delivering a new settlement within a plan-led system**

- 10.4 In principle, there are no obstacles to the use of a Local Plan to facilitate the delivery of a new settlement via the setting of a supportive policy basis. The risk of not planning now for a longer term approach is that there will be a gap in housing supply making the Council vulnerable to future planning applications as well as limiting the ability to plan for longer term larger infrastructure needs.
- 10.5 The proper planning of a new settlement requires a comprehensive and robust evidence base to justify the new settlement site, scale and detailed nature. The evidence to support this level of detail for the new settlement requires a considerable amount of time and resources and if proposed at this time for the PSLP, would incur further delay, risking associated implications in relation to Government intervention.
- 10.6 The proposal in the PSLP is to identify an ‘area of search’ only for a new settlement. The PSLP includes reference to this area of search in the Spatial Strategy Policy SSI:

#### ***“New Settlement Area of Search***

***To help address longer term growth requirements<sup>19</sup>, an area of search is identified in this Plan for a new settlement (see the key diagram and Policies Map). The new settlement will be brought forward through a separate development plan document (DPD) in accordance with Policy SS3”.***

- 10.7 The option of a new settlement at Rye Common has been ruled out because the evidence supports the more deliverable opportunities within the Murrell Green/Winchfield area. The PSLP includes therefore, a specific high level Policy (proposed Plan Policy SS3) relating to the area of search within the Murrell Green/Winchfield area. Proposed Policy SS3 sets out broad policy criteria for the new settlement. The new settlement proposal would then be taken forward through a stand-alone Development Plan Document (DPD) which would be started on adoption of the Local Plan: Strategy and Sites. The precise location, scale and nature of the new settlement would therefore be detailed through this subsequent DPD. Such an approach allows the Council to undertake further work in respect of a longer-term strategy for meeting future housing needs, including full and proper consideration of the location of a new settlement and its broader implications.

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<sup>19</sup> A new settlement within the area of search is not needed to meet the housing needs identified in the PSLP. It is shown in the PSLP so that work can start on planning for a new settlement in anticipation of the need for additional homes and infrastructure arising in future, potentially within five years of adoption when the Plan should be reviewed in any event. It does not therefore form part of the housing supply needed to meet the housing target of 388 homes per annum and for any reason this site did not come forward it was not expected that a similar allocation would be made elsewhere in the District.

## **II ACTION**

11.1 The Proposed Submission Version of the Hart Local Plan: Strategy and Sites 2016-2032 has been prepared using the draft Government standard methodology. However, having regard to the Government's draft transitional arrangements, the Plan should **not be submitted to the Secretary of State before 31 March 2018 or before the revised National Planning Policy Framework (NPPF) is published (whichever is later).**

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### **APPENDICES**

Appendix 1 - PSPL Housing Numbers

Appendix 2 - PSLP Sources of Housing Supply

## Appendix I PSPL Housing Numbers

The Government's proposed standard approach to assessing housing need results in an indicative figure for Hart of 292 homes per annum (starting from 2016). It is important to note that this is a consultation and the methodology could change. Furthermore, this figure should be regarded as a start point for determining the housing number. The Plan therefore includes an uplift:

Government methodology	292 dpa	This is the start point, calculated using a formulaic approach set out in Planning for the right homes in the right places: consultation proposals' DCLG September 2017.
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In the case of Hart (as for many other authorities) this figure has been capped at 40% above the projected household growth over the plan period. The consultation paper states that the cap has been applied to ensure the method is deliverable, recognising that in some areas the proposed standard approach will lead to a significant increase in potential housing need.

Minus the 'cap'	310 dpa	There are no overriding constraints in Hart that prevent a figure in excess of 292 dwellings per annum being delivered. Applying the proposed methodology <u>without the cap</u> results in a need of 310 dwellings per annum. This is a more robust and positive basis on which to consider any further uplifts.
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Plus 25%	388 dpa	A 25% uplift on the uncapped figure has been applied taking the requirement to 388 homes per annum. The Plan period runs from 2016 to 2032 which provides an overall housing target of 6,208 new homes.
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This uplift results in a significantly higher requirement than the need of 292 dwellings per annum identified in the Government's consultation. It has been determined in recognition of the following factors:

- the need for a contingency should the proposed methodology change<sup>20</sup>;
- the need for a contingency to allow for the figure increasing through updates to the data that goes into the

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<sup>20</sup> One reason why the proposed approach to calculating housing need could change is if the Government seeks to deliver more homes in total across the country than the proposed methodology would deliver. The proposed methodology would establish a total need of 266,000 homes per annum across the country from 2016. However, in its 2017 Budget the Government stated the following: "*The Budget announces a comprehensive package of new policy which will raise housing supply by the end of this Parliament to its highest level since 1970, on track to reach 300,000 per year*". This is not a very precise statement of intent, but were the Government to adjust the standard methodology so that it identifies a total need of 300,000 homes per annum from 2016, that would be a 13% increase on the 266,000 figure. If a 13% increase is applied to Hart's figure of 292 homes per annum that would result in a need of 330 homes per annum. This is still significantly below the 388 per annum set out in the Plan

formula (e.g. household projections and local affordability ratios);

- the need for flexibility for non-delivery or delayed delivery of sites;
- the benefits of boosting housing delivery including the supply of affordable housing;
- the number of homes already in the supply<sup>21</sup> and the opportunities to make effective use of previously developed land, in particular Hartland Village).

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<sup>21</sup> Whilst the only site allocation in the Plan is at Hartland Park (for 1,500 homes), there are over 3,500 homes on deliverable sites including more than 3,000 on sites with planning permission. Many of these are on large greenfield sites including: North East Hook (548 homes); Watery Lane, Fleet (300 homes); Moulsham Lane, Yateley (150 homes); Land North of Netherhouse Copse, Fleet (423 homes); Hawley Park Farm, Hawley (126 homes); Land south of Riseley (83 homes); and greenfield sites in the Odiham Neighbourhood Plan

## Appendix 2 PSLP Sources of Housing Supply

Source	Number of new homes
a Homes completed between 1 <sup>st</sup> April 2016 to 6th October 2017	798
b Sites with outstanding planning permission at 6th October 2017	3,046
c Other deliverable sites <sup>22</sup>	504
d Sites within settlement boundaries <sup>23</sup>	184
e Hartland Village (site allocation – see Policy SS1)	1,428 <sup>24</sup>
f Sites in the Odiham and North Warnborough Neighbourhood Plan without planning permission at 6 <sup>th</sup> October 2017	111 <sup>25</sup>
g Small site windfall allowance <sup>26</sup>	275
<b>Total</b>	<b>6,346</b>

<sup>22</sup> These site are identified in Appendix 2 of the PSLP

<sup>23</sup> This is likely to be an underestimate as it is based only on known developable SHLAA sites within settlement boundaries. There is no double counting with other sources of supply (see Appendix 2 of the PSLP)

<sup>24</sup> The site is allocated for 1,500 dwellings (see Plan Policy SS2) with 1,428 expected to be constructed within the Plan period (source: planning application Ref. 17/00471/OUT)

<sup>25</sup> This is an adjusted figure to ensure no double counting with sites with planning permission (Appendix 2 of the PSLP)

<sup>26</sup> See PSLP Appendix 2 for how the small sites windfall allowance is calculated