

**LAND SOUTH OF READING ROAD**

HART LOCAL PLAN EXAMINATION – FURTHER HEARING STATEMENT  
MATTER 5 – HOUSING: TRAJECTORY, DELIVERABILITY AND HOUSING LAND  
SUPPLY

CEMEX

25 OCTOBER 2018



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## 5.0 Matter 5 – Housing: trajectory, deliverability and housing land supply

- 1.1 On behalf of CEMEX Properties (CEMEX) and its interest in ‘Land south of Reading Road, Eversley’, the following information is provided in regard to Matter 5 – Housing Trajectory, Deliverability and Housing Land Supply.
- 1.2 CEMEX has fully engaged with the Local Plan process and submitted representations to previous consultations. The site is referenced SHL112 in the SHLAA (2018). It is located on the edge of Eversley village, extending to approximately 48 ha, although much of this area is promoted for SANG provision alongside housing.
- 1.3 The site has the potential to deliver up to 150 new homes, a 60-bed care home with access off Reading Road and Hollybush Lane ,and an over-provision of SANG land, within the early part of the plan period. The focus is for residential development to the north of the site, off Reading Road, with public open space and significant SANG provision located on the remaining area, securing the long-term positive management of open space and woodland.

### ***Are the projected commitments in the Housing Trajectory based on a realistic and robust assessment of the likely timing of delivery?***

*Please note: the Council has suggested changes to Appendix 2 (Housing Numbers and Trajectory) of the Plan within Core Document CD11 (Version 2), dated 10 August 2018.*

- 1.4 On review of the Council’s updated Housing Trajectory (CD11), the trajectory is heavily reliant on the contribution of sites with planning permission within the first part of the plan period, between 2018/19 – 2024/25. Beyond this point, the trajectory weakens and highlights a considerable fall in the projected completions from the allocated sites (including Neighbourhood Plan sites), windfall and sites within the settlement boundaries.
- 1.5 It is this stage of the plan period which causes concern. The plan must facilitate the ability to demonstrate an adequate supply of housing at all points during the plan period, yet the trajectory highlights the weakness. The plan is ineffective during the middle and latter part of the plan period and provides no flexibility to respond to change.
- 1.6 To ensure flexibility and resilience within the trajectory so that the housing delivery can be sustained throughout all parts of the Plan period, the Council should allocate deliverable small and medium-sized sites (50 – 200 new homes) throughout all parts of the district.

### ***Is the anticipated delivery from Hartland Village for each year in the Plan period realistic?***

- 1.7 The hybrid application (reference: 17/00471/OUT) at Hartland Village was granted on 13 July 2018 and includes the delivery of 181 new homes as part of the full planning permission, with additional new homes to be addressed within future Reserved Matters applications, to contribute towards the 1,500 new homes to be

delivered at the site. For the delivery of this site (Hartland Village), the Local Plan suggests a figure of 90 – 130 new homes per annum depending upon the year. This figure is considered to be too high and not realistic.

- 1.8 At Terence O'Rourke, we have carried out a review of housing delivery rates across larger sites, considering a series of available studies into delivery rates, how these were reviewed in Local Plan examination, and some examples from our own project work.
- 1.9 The research concluded that there is a clear correlation between build out rates and the number of operators bringing forward development. A variety of developers require individual marketing suites and this in turn leads to the higher rates of development. At Hartland Village, only St Edward is currently involved, and we suggest that this will severely reduce the number of homes that come forward per annum. For example:
- A report commissioned by Gladman (2014)<sup>1</sup> considered bringing forward major urban extensions of 500+ new homes and concluded that an average annual delivery rate of 30-35 new homes per single housebuilder/outlet is realistically achievable.
  - An earlier study carried out by GVA for Fareham Borough Council in 2013<sup>2</sup> considered delivery rates for a new garden village of up to 6,000 homes. This study concluded that the borough council should consider an annual average build out rate of between 320 and 342 dpa based on five marketing suites or 68 dpa per outlet. A review of this report carried out by Lichfields<sup>3</sup> as part of the Local Plan review reduced this rate to 250 homes per annum or 50 per annum per outlet.
  - At Dunsfold Aerodrome in Surrey, a report by Troy Planning<sup>4</sup> for Waverley Borough Council concluded that 64 dpa would be a realistic delivery rate. This example is similarly a brownfield development and therefore can be more directly compared with Hartland Village.
  - The Oliver Letwin Report<sup>5</sup> published in June 2018 concluded that larger sites have slower build out rates.
- 1.10 Therefore, it is considered that the delivery assumptions included in the Pre-Submission Local Plan are too optimistic, and unrealistic given single developer involvement.
- 1.11 In addition, we have concerns that the lead-in time applied by Hart District Council is not realistic. Our research concluded that lead-in times for larger scale housing sites are significantly higher than the two years assumed by the council. We

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<sup>1</sup> Hourigan Connolly (February 2014) A Report into the delivery of urban extensions, on behalf of Gladman Developments Ltd

<sup>2</sup> GVA (November 2013) Welborne build out rates study, on behalf of Fareham Borough Council

<sup>3</sup> Lichfields (October 2017) Interim evidence for the Draft Fareham Borough Local Plan 2036, on behalf of Fareham Borough Council

<sup>4</sup> Troy Planning and Design (November 2016) Dunsfold Aerodrome: Delivery Rates Assessments, prepared for Waverley Borough Council

<sup>5</sup> Letwin, O. (June 2018) Independent review of build out rates (draft analysis)

reviewed six reports that considered lead in times for larger scale development sites. These concluded that the time from planning permission to first completion ranged from 3 to 8 years depending upon the site. The Nathaniel Litchfield Report (2016)<sup>6</sup>, which considered 70 large scale sites in green and brownfield locations in England and Wales, concluded that between 5.3 and 6.9 years is the average period between submission of planning and first completions. Hart assumes that development will begin in the year 2018-2019 with 40 new homes. Based on the findings of these previous studies, this appears optimistic.

- 1.12 With a very ambitious lead-in period of 3 years applied, the delivery of Hartland Village could commence by 2021. Following commencement of development in 2021 and with 14 years remaining of the plan period, it is considered an unreasonable prospect that the site would be able to deliver all 1,400 homes within the plan period unless an additional housebuilder was involved.
- 1.13 While it is recognised that there are other sources of housing supply, a significant proportion of the district's housing supply is to come forward at Hartland Village. This allocation cannot be relied upon without the allocation of smaller deliverable sites to assist in delivering a large proportion of Hart's housing requirement.
- 1.14 This is supported by the Letwin Report<sup>7</sup>, which concluded that there is evidence to suggest that smaller sites tend to build out a greater part of the site per year than larger sites, further supporting the notion that Hart should not rely so heavily on housing delivery from one large site. This report considers that both large and smaller sites are required, as both high build out rates and high levels of allocation are needed to provide homes in areas of high housing pressure.

***Is the projected delivery from the Odiham and North Warnborough Neighbourhood Plan site allocations realistic?***

- 1.15 The Odiham and North Warnborough Neighbourhood Plan was adopted in June 2017 and allocates 119 new homes over the Neighbourhood Plan period. These 119 new homes are allocated across 7 sites. The sites range between 9 new homes per site and 30 new homes per site, including care facilities. There is no reason to suggest the 7 sites cannot be delivered within the plan period, therefore the trajectory on page 148 of the draft Local Plan is considered to be realistic.

***Are the projected completions in the Housing Trajectory based on a sound assessment of infrastructure requirements?***

- 1.16 On review of the Infrastructure Delivery Plan (IDP) (examination document: INF1), the proposed infrastructure requires early engagement with the developers to ensure the level of provision would not jeopardise the viability of the development scheme. The IDP highlights the infrastructure requirements, including strategic transport schemes, schools, social and community facilities, flood risk management and countryside schemes, set out by Hampshire County Council (HCC) within a statement dated April 2017, with details of the estimated costs and the estimated funding shortfall, which are anticipated.

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<sup>6</sup> Nathaniel Litchfield & Partners (November 2016) Start to Finish: How quickly do large-scale housing sites deliver?

<sup>7</sup> Letwin, O. (June 2018) Independent review of build out rates (draft analysis)

- 1.17 Page 45 of the IDP highlights the delivery of infrastructure scheduled throughout the plan period and the source of the funding, ranging from Hartland Village contributions (through S106 agreement and CIL) to other developments with planning permission and HCC funding. When comparing the infrastructure delivery schedule and the housing trajectory, it is clear that a considerable amount of housing is anticipated to be delivered between 2017 and 2022, but a large proportion of the proposed infrastructure is due to be delivered between 2022 – 2027. This disparity between the delivery of housing and infrastructure will place unwarranted strain on existing infrastructure and places great pressure on the timely delivery of the proposed infrastructure within this schedule.
- 1.18 Further, a number of the necessary infrastructure projects have no timescale or phasing plan but are linked to various developments coming forward during the plan period or the completion of a certain number of homes.
- 1.19 Without greater certainty that the necessary infrastructure can be delivered, and is viable, the plan is ineffective and unsound. Additionally, the housing trajectory cannot be relied upon because it cannot be demonstrated that there is a realistic prospect of the development coming forward when envisaged, because there is no confidence that the necessary infrastructure can be delivered at the same point in time and along the same trajectory.

***Is there sufficient Suitable Alternative Natural Greenspace (SANG) capacity to support the level of housing proposed, including windfall sites?***

- 1.20 No additional comments.

***Is the anticipated contribution to housing delivery from windfall development justified?***

- 1.21 No additional comments.

***Are the delivery assumptions for sites within settlement boundaries robust?***

- 1.22 The sites within settlements have been identified within the Strategic Housing Land Availability Assessment (SHLAA) that are considered to be developable within the plan period. These sites are for 5 or more homes.
- 1.23 The sites included within the housing trajectory are for between 6 and 40 homes and are distributed throughout the plan period. Site SHL104 (Land at Elvetham Heath) highlights a capacity of 40 homes and is the only site identified to deliver housing towards the end of the plan period, however, due to the size of the site, delays to the housing trajectory are not considered to detract from the robustness of the delivery assumptions. Further, while only one of these sites has an active application, others are currently engaging with the Council at pre-application stage. No delivery on any of the sites is anticipated until 2023, therefore the trajectory is considered realistic.

***Should an allowance from rural exception sites be included in the Trajectory?***

- 1.24 No. These sites are currently unidentified and their inclusion would double count with windfalls.

***Should any lapse rates be included in the Housing Trajectory?***

1.25 No additional comments.

***Is there sufficient flexibility in the identified housing supply to adapt to rapid change, as set out in Paragraph 14 of the NPPF, 2012?***

1.26 The delivery of housing through the Local Plan relies upon residential development coming forward from already committed sites and allocations. It is acknowledged that the housing land supply at present is encouraging, with the district council estimating a supply of 9.7 years based on a requirement of 388 new homes per annum. However rather than identify a number of sites for allocation, the plan relies on a single brownfield site to deliver the majority of housing required within the plan period. This is not a flexible approach, as there are no alternative sites suggested should Hartland Village fail to deliver. This is particularly risky given that it is a complex brownfield site, with significant infrastructure requirements.

1.27 As an alternative the plan should include a number of sustainable sites located elsewhere across the district, that already have developer interest, have few constraints and are available and deliverable in the short to medium term. Sites such as 'land south of Reading Road' in Eversley would be an example; this site has already been considered as an allocation, since it was included in a previous version of the Local Plan and removed as result of the change in development strategy. This approach will provide more flexibility to adopt to rapid change, as required at paragraph 14 of the NPPF 2012.

***Housing land supply***

***Is the use of a 5% buffer justified? Has there been a record of persistent under delivery?***

1.28 The Council has met its housing target only 4 times during the last 10 years (2007/08 – 2017/18) as highlighted in the table below.

Table 1: Hart DC's housing delivery<sup>8</sup> over past 10 year (2007/18 – 2017/18)

| Year    | Target                   | Completions | Difference |
|---------|--------------------------|-------------|------------|
| 2007/08 | 317<br>(Structure Plan)  | 229         | -88        |
| 2008/09 | 317<br>(Structure Plan)  | 52          | -265       |
| 2009/10 | 220<br>(South East Plan) | -17         | -237       |
| 2010/11 | 220<br>(South East Plan) | 70          | -150       |
| 2011/12 | 220<br>(South East Plan) | 326         | 106        |
| 2012/13 | 220<br>(South East Plan) | 197         | -23        |

<sup>8</sup> As defined by Table 3: Historic Performance on Housing Delivery of HOU4 Five Year Housing Land Supply (June 2018)

|                |                               |     |      |
|----------------|-------------------------------|-----|------|
| <b>2013/14</b> | 382<br>(SHMA)                 | 264 | -118 |
| <b>2014/15</b> | 382<br>(SHMA)                 | 338 | -44  |
| <b>2015/16</b> | 382<br>(SHMA)                 | 705 | 323  |
| <b>2016/17</b> | 382<br>(SHMA)                 | 623 | 241  |
| <b>2017/18</b> | 388 (Gov. Standardised Meth.) | 551 | 163  |

- 1.29 The Council's performance during the last three years (2015/16 – 2017/18) is encouraging and considerably exceeds the appropriate target and therefore warrants the 5% buffer. However, any delays in the delivery of sites with planning permission, and in particular the commencement of development at Hartland Village, should trigger the inclusion of a 20% buffer, to ensure the shortfall is addressed within the first 5 years of the plan period, given historic under delivery. This should be monitored thoroughly through the Council's Annual Monitoring Reports (AMRs).

***Will there be a 5-year housing land supply on adoption of the Plan?***

- 1.30 Whether there will be a five-year housing land supply depends upon the ability of the district's main allocation, Hartland Village, to deliver homes at the rate assumed in the Housing Trajectory. If it is assumed that the plan will be adopted in 2019, the first four years' supply is provided by projected completions from outstanding applications, so there is some degree of certainty surrounding their delivery, and a buffer in case of non-delivery. However, towards the end of the five-year period, the supply relies increasingly on Hartland Village. As outlined earlier, there are risks associated with relying on one site, particularly a brownfield site where there may be many uncertainties and difficulties in bringing development forward. In addition, the delivery rates assumed are over-ambitious given the complexity of the site and single developer. Therefore, we consider that there may well be a shortfall in the five-year housing land supply on adoption of the Local Plan.

***On a related matter and having regard to the housing trajectory, what are the implications of the new Housing Delivery Test, particularly towards the end of the Plan period?***

- 1.31 Moving through the plan period, the number of homes coming forward falls. This will mean that the Housing Delivery test percentage will also fall (assuming that the requirement remains the same or similar to the current figures). Where the Housing Delivery Test falls below 75% (from November 2020) the NPPF states that local authority should grant planning permission unless "...any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in the framework taken as a whole", (paragraph 11, NPPF 2018). This supports our view that it would be prudent for the district to allocate a variety of different sites in order to ensure the continuous and robust delivery of sites through the plan period, and avoid speculative or unplanned development on sites that have not gone through the allocation process.