

# Draft Local Plan 2021-2040 (Regulation 18)

## Housing Background Paper

January 2024



OUR  
**LOCAL  
PLAN**

2021-2040

CONSULTATION

22 JANUARY - 4 MARCH 2024

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## 1. Introduction

- 1.1 This background paper supports consultation on the Draft Local Plan 2040 under Regulation 18 during January – March 2024. A detailed [Housing Needs and Requirement](#) background paper was prepared to support the previous [Regulation 18 Part 1](#) consultation in November 2022- January 2023.
- 1.2 Much of the detail expressed remains in place and consequently that should be read in conjunction with this update on the key changes.
- 1.3 National planning policy requires that a local housing need assessment is carried out to assess the minimum amount and type of housing needed in the district over the lifetime of the plan – this study is often referred to as a Housing and Economic Development Needs Assessment (HEDNA). This was originally published in [2022](#), however due to the annual changes to the variables that inform the standard method further work was undertaken in [September 2023](#). This reflects publication of 2021 Census data which provides an up-to-date view of demographic trends together with revised affordability ratios published in March 2023.
- 1.4 Based on the current outputs of the standard method (2023), a minimum of 10,982 dwellings should be provided across East Hampshire district (including the South Downs National Park) during the plan period (2021-2040). This is equivalent to 578 dwellings per annum. However, the Planning Practice Guidance<sup>1</sup> allows for strategic-making authorities that do not align with local authority boundaries, such as National Parks, to identify a housing need figure using a method determined locally.
- 1.5 When looking at a disaggregated approach to the standard method between the two local planning authorities the housing need within the Local Plan Area is 464 dwellings per annum. This results in a local housing need of 8,816 dwellings over the plan period. It will be for the South Downs National Park Authority (SDNPA) to work through its own process to calculate local housing needs for its area.
- 1.6 The total unmet needs of neighbouring authorities are currently unknown, however, considering the landscape sensitivity associated with the National Park, there is potential for some unmet housing needs from within the South Downs National Park area.
- 1.7 In order to estimate these unmet needs for this Local Plan, a pragmatic approach has been taken based on past delivery and historic agreements with the SDNPA. Based on the delivery of 100 dwellings per annum within the part of East Hampshire that falls within the National Park, it is estimated that there

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<sup>1</sup> PPG (Paragraph: 014 Reference ID: 2a-014-20190220)

would be a residual requirement (potential unmet need) of 14 dwellings per annum (266 dwellings over the plan period).

- 1.8 As detailed in the Partnership for South Hampshire (PfSH) Spatial Position Statement (December 2023) there is an unmet need across the sub-region of approximately 12,000 homes to 2036. It is acknowledged that in the short to medium term that the Local Planning Authority should be able to meet NPPF 2023 standard-method based housing needs. The Spatial Position Statement acknowledges that in the longer term, Broad Areas of Search for Growth will need to be considered in local plans, including the contribution they can make to ongoing unmet housing need in the sub-region. None of these Areas of Search are identified in the Local Plan Area.
- 1.9 For the purposes of this Local Plan, no assumptions are made on the unmet needs of other neighbouring local planning authorities (with the exception of the SDNPA), but any dwellings surplus to the identified requirements could be attributed to any future identified unmet need, particularly in the South Hampshire sub-region. East Hampshire Local Planning Authority continues to work with neighbouring authorities and future iterations of the local plan will be informed by further information on potential unmet need under the duty to cooperate.
- 1.10 Based on the above, the minimum number of homes required in the Local Plan Area between 2021 and 2040 is **9,082 dwellings**. This is equivalent to **478 dwellings per annum**.
- 1.11 Whilst the above requirement has been established, a number of these dwellings have already been built or are committed through planning permissions granted since 2021<sup>2</sup>, the start of the plan period:

<b>Component</b>	<b>No.dwellings</b>
Completions (2021-2023)	940
Commitments (existing planning permissions)	3,965
Windfall	1,320
<b>Total</b>	<b>6,225</b>

<b>Component</b>	<b>No.dwellings</b>
Requirement	9,082
Total supply	6,225
<b>Residual</b>	<b>2,857</b>

<sup>2</sup> The Council updates on an annual basis its housing [land supply position](#) which provides details of sites with planning permission and recent completions.

- 1.12 Taking the above sources of new homes into account, this then leaves a residual requirement of 2,857 homes.
- 1.13 However, National Planning Policy, requires that a sufficient amount and variety of mix of sites (large and smaller sites), can come forward where these are needed to meet the housing requirements of the area. This includes some allowance for flexibility and to allow for sites allocated not coming forward during the Plan Period, together with any unmet needs from neighbouring authorities. Therefore, it is important that any proposed allocations for development are flexible to assist with potential issues around the delivery of sites, again national policy requires local planning policies to identify sufficient sites taking into account their availability, suitability and likely economic viability. In this context and addressing the potential unmet needs of the wider South Hampshire sub-region, the Local Plan allocates sites that could deliver more than the 2,857 new homes requirement. As a result, the Draft Local Plan identifies and includes allocations for about 3,500 new homes.

## 2. Changes to NPPF

- 2.1 In December 2023, the Government published a revised [National Planning Policy Framework](#), emphasizing further the need for the planning system to deliver more housing to meet an area's housing needs.
- 2.2 A number of changes have been introduced to Chapter 5 of NPPF, 'Delivering a sufficient supply of homes', the most notable are:
- Paragraph 60 includes reference to provision of an appropriate mix of housing types for the local community;
  - Paragraph 61 refers to the use of the Standard Method for establishing a housing requirement for the area. This is now expressed in terms of the Standard Method being 'an advisory starting point' for calculating an areas housing need. Given the situation in East Hampshire with two Local Planning Authorities (LPAs) covering the District, application of the standard method and implications for splitting the housing need between the two LPA's is not new. The Council has therefore commissioned [focused evidence](#) on this matter, indeed two technical papers have explored the option of departing from the standard method and both have concluded that there was no evidence to indicate that the data informing the standard method calculations for East Hampshire was flawed.
  - Paragraph 63 now includes reference to retirement housing, housing with care and care homes, when referring to establishing the needs of different groups in a community, in addition to previously listed needs for affordable housing, families with children, students, people with disabilities etc.
  - Paragraph 70 has been expanded to support small sites for community led development, and self and custom build.

- 2.3 Whilst these changes were introduced at an advanced stage of preparation of the Draft Local Plan, they have not raised matters that had not already been incorporated in the draft policies, whether within the Housing Chapter of elsewhere in the Draft Local Plan.

### **3. Update to Housing Needs Evidence**

- 3.1 The 2022 HEDNA identified a district wide housing need of 632 dwellings per annum based on application of the Standard Method. As the standard method housing need can only be calculated for the whole district of East Hampshire and not just for the Local Plan Area, East Hampshire is permitted by national planning guidance to calculate its own housing need figure using an alternative method.
- 3.2 However, planning guidance stresses that any other method should only be used in exceptional circumstances. It says “*Where an alternative approach results in a lower housing need figure than that identified using the standard method, the strategic policy-making authority will need to demonstrate, using robust evidence, that the figure is based on realistic assumptions of demographic growth and that there are exceptional local circumstances that justify deviating from the standard method. This will be tested at examination*”.
- 3.3 The Council therefore commissioned a piece of work to specifically explore this matter acknowledging the position with the South Downs National Park. That report (Technical Note: [Testing the Standard Method Housing Need](#) for East Hampshire) concludes that at a district level there is no evidence to suggest that data feeding into the Standard Method is substantially wrong.
- 3.4 With publication of updated affordability ratios in March 2023, further work was undertaken to both calculate the housing need using the standard method and the proportions within and outside the South Downs National Park. Published in September 2023 – the [updated Technical Note](#) sets out a district wide housing need of 578 dwellings per annum of which 464 would be for the East Hampshire LPA.

### **4. Summary of Draft Local Plan 2021 – 2040 Policies**

- 4.1 The [Issues and Priorities](#) consultation held from 21 November 2022 to 16 January 2023, included various matters in relation to population and housing.
- 4.2 [Responses received](#) to the consultation together with revised evidence has informed the formulation of the policies that are now included in Chapter 9 ‘Homes for All’ of the draft East Hampshire Local Plan 2021 – 2040, as set out below.

- 4.3 Each policy is expressed in terms of a commentary ‘Why we need the Policy’, followed by ‘Implementing the Policy’ which provides more detail as to how the policy will be applied.

#### Policy H1 – Housing Strategy

- 4.4 Policy S1 defines a spatial strategy for the Plan area Spatial Strategy and states that there is a need to plan for a total of 9,082 dwellings over the Plan Period (478 x 19 years).
- 4.5 Taking existing sources of new homes into account, this then leaves a residual requirement of about 2,857 new homes. However there needs to be some allowance for flexibility, to allow for sites allocated not coming forward during the Plan Period and for unmet needs, as referred to above. As a result, the Draft Local Plan identifies and includes allocations for about 3,500 new homes.
- 4.6 The Policy reflects comments received from the Issues and Priorities consultation which found support through growth to be focussed on the existing larger more sustainable settlements. This principle has then informed a revised settlement hierarchy where the housing has been distributed across the tiers defined in Policy S2.

#### Policy H2 Housing Mix and Types

- 4.7 National planning policy requires local planning authorities to plan for a mix of housing, based on current and future demographic trends, market trends and the needs of different groups in the community, including the elderly and people with disabilities. Household needs within the Local Plan Area (HEDNA 2022) are varied and include requirements for singles, couples, families, the young, the elderly, as well as a requirement for affordable housing.
- 4.8 Evidence and feedback from previous consultations supports the need for smaller homes, with the largest share of demand for new market homes likely to come from households needing two and three-bedrooms homes. In the affordable rented sector, demographic modelling suggests the majority of the requirement is for homes with one or two bedrooms.
- 4.9 New developments should therefore provide a range of dwelling sizes and should not be dominated by large dwellings that are unlikely to meet the majority of the areas housing needs. Smaller dwellings – not necessarily flats, that allow for downsizing as well as first time buyers should be included as part of all new developments to encourage mixed and balanced communities.
- 4.10 The increase in older population (people aged 65 and over) is linked to a higher level of disability in the population. Both older and disabled people are identified as particular groups which have specialist housing needs, (HEDNA 2022). This matter is covered in more detail in Policy H5 below.

- 4.11 This Policy together with Policy H3, therefore require both new market and affordable housing should meet the requirement for accessible and adaptable homes of the Building Regulations Part M(2). These should be designed into the development at the planning application stage but will be implemented through Building Regulations. In addition, to support the ageing population and the specific needs of people with mobility problems, proposals for wheelchair adaptable or wheelchair accessible affordable housing that meets requirement M4(3) of the Building Regulations, will be encouraged where such provision meets identified local need, as evidenced by the Housing Register.
- 4.12 Applicants are required to demonstrate that the internal space standards as specified in the Nationally Described Space Standards (see also Policy DES2), have been applied and should provide internal floor plans not smaller than 1:100 scale, with metric room dimensions identified and the gross internal area (GIA) clearly identifiable. Housing which exceeds minimum internal space standards is encouraged and welcomed.

#### Policy H3 Affordable Housing

- 4.13 Given the cost of housing in the Local Plan Area there is a significant need for additional affordable housing. That is housing as defined in the NPPF glossary (and replicated in the Draft Local Plan Glossary) that falls under the Affordable Housing umbrella. In East Hampshire the main forms of affordable housing are social rent and shared ownership. Generally feedback is in support of the provision of affordable housing in providing appropriate opportunities for people to remain living and working in the areas that they grew up in.
- 4.14 In line with Government policy on affordable housing the draft local plan requires all developments of 10 or more units (gross), or sites with an area in excess of 0.5 hectares, to make a contribution towards affordable housing provision, the HEDNA has provided the evidence to demonstrate that the percentage of 40% should be continued through this local plan.
- 4.15 The affordable housing provision is expected to be located on the same site as the development gaining planning permission and to ensure community integration should be dispersed and genuinely 'pepper-potted' across the development. Also as much affordable housing as is viable (up to 40%) will be sought for specialist and supported residential use, on a site by site basis.
- 4.16 In exceptional cases where it can be demonstrated that the provision of affordable housing on site will make a scheme unviable, the Local Planning Authority may accept a commuted sum in lieu of actual provision. The Local Planning Authority may also consider instances where application of the policy triggers a need for a small number of affordable homes (less than 5), a financial contribution may be a better solution rather than on-site provision.

#### Policy H4 Rural Exception Sites

- 4.17 A further form of affordable housing can be achieved through rural exception sites. These are a recognised tool to delivering affordable housing to meet identified local needs, even if allowing some market housing on such sites helps to facilitate this.
- 4.18 National Planning Policy advocates that in rural areas planning policies and decisions should be responsive to local circumstances and support housing development that reflect local housing needs. As a general rule, rural exception sites are envisaged to be up to 20 dwellings, but this would not preclude larger developments where there is an established local need.
- 4.19 Rural exception policies, which provide 100% affordable housing, are well established and such a policy has been applied in previous Local Plans. This policy enables further housing to come forward where a proven affordable housing need is identified and cannot be met through existing housing allocations in the Local Plan or relevant Neighbourhood Plan.
- 4.20 Rural exception sites should provide homes for rent in the first instance, however, the LPA will support sites that deliver 100% affordable housing by offering a degree of flexibility on tenure, as required, to enable sites to come forward.

#### Policy H5 Specialist Housing

- 4.21 The Local Planning Authority has an obligation to ensure that the housing needs for all people are considered and provided for wherever possible. Whilst many people wish to have and retain their independence, for some there is a need for specially designed and/or managed accommodation.
- 4.22 There is considerable existing provision of older persons accommodation in the district, and more being provided, but there is an ageing population. Indeed when looking ahead over the plan period in terms of the proportion of older people (over 65 year olds) this increases by 36%. Data from the HEDNA therefore reveals that there is a need for about 830 housing units with support (sheltered/retirement housing) and around 760 housing units with care (extra care) together with additional nursing care bedspaces over the plan period. A number of sites have recently been granted planning permission for older persons units, including the following:

Settlement	Total number of sites
Land East of Horndean	60-bed care home and up to 69 C3 (age restricted) bungalows and apartments
Land at Winchester Rd, Chawton	67-bed purpose built care home and 28 C3 apartments (100% affordable)
Ajax House, Haslemere Road, Liphook	39 retirement apartments

Former Molson Coors site, Alton	integrated retirement community consisting of 95-bed independent living apartments
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- 4.23 A further site at Prince Philip Park, Bordon has a pending planning application for 56 retirement living apartments and 10 affordable flats.
- 4.24 Proposals for new schemes will be required to demonstrate a need for further provision in that locality, with regard to existing and proposed provision, to guard against an over provision of a particular type of accommodation or care type.
- 4.25 However, specialist housing is not just for older people; this can also meet the needs of people with physical disabilities, recovering from/living with mental illness, with limited mobility, and those with a learning disability. This could be achieved by providing a range of different types of housing including sheltered housing with care support, staffed hostels, residential care homes, wheelchair accessible housing or housing that is easily adaptable for wheelchair use, (see Policies H2 and H3 which include reference to accessible and adaptable dwellings).
- 4.26 Policy H5 applies to all specialist and supported accommodation proposals, whether these fall into Use Class C2 (residential institutions) or C3 (dwelling houses), or they provide a mixture of both types of residential use. Where proposals include C3 uses, which allow for independent living, the proposed mix of housing tenures, sizes and property types will be determined on a site-by-site basis. Affordable housing provision will also be expected in accordance with Policy H3. However, this provision may be in the form of supported housing, including extra-care housing for older and younger persons.
- 4.27 The Local Plan Area faces a demographic challenge in the coming decades, with a substantial rise forecast in its older population and whilst some of the housing needs of older people will in future continue to be met through the provision of general needs accommodation (e.g. mainstream housing, bungalows, step free apartments), there will be an increasing need for specialist accommodation types to cater for this demographic change.
- 4.28 The number of residents within the Local Plan Area who suffer from dementia and/or a long-term health problem or disability (LTHPD) is increasing and therefore it is important that developments allow people living with dementia or a LTHPD the ability to live well and remain independent for longer. It is acknowledged that good urban design and accommodation with appropriate access to services and facilities enables those living with dementia or LTHPD to remain independent for longer, (see also Policy HWC).

#### Policy H6 Residential Mobile Home Parks

4.29 Established mobile home parks make an important contribution to the choice of lower cost housing in the district. There is an established need for park homes, with provision in the Local Plan Area considered to be worthy of safeguarding. The policy seeks to safeguard existing sites as loss of this type of accommodation would lessen the available choice of housing and put pressure on the need for more affordable and/or ground floor accommodation. The policy also allows for the expansion/intensification of existing sites providing this is in accordance with other policies as relevant in the local plan.

#### Policy H7 Gypsies, Travellers and Travelling Showpeople Accommodation

4.30 See separate Background paper

#### Policy H8 Safeguarding Land for Gypsies, Travellers and Travelling Showpeople Accommodation

4.31 See separate Background paper