

30 March 2021  
Delivered by email

Planning Policy & Economic Development Service  
Test Valley Borough Council  
Beech Hurst  
Weyhill Road  
Andover  
SP10 3AJ

Ref: BLOS3032

Dear Sir/Madam

## **DRAFT LOCAL PLAN (REGULATION 18 – STAGE 1) CONSULTATION (TVBC, 2022) REPRESENTATIONS ON BEHALF OF BLOOR HOMES**

Thank you for the invitation to comment on the above consultation. We write on behalf of Bloor Homes, who have land interests around the proposed tier one settlement of Andover.

Our clients have commissioned consultants to undertake the necessary technical assessments of such interests, which they will use to inform and shape a vision document and masterplan for over the coming weeks. Our client's initial assessments suggest these would offer suitable opportunities for relatively modest levels of development, of a scale capable of being delivered within the first five years of the plan period. Our client would welcome the opportunity to share their emerging assessments and proposals once complete, so that these can be considered in advance of the Regulation 18 (Stage 2) Local Plan consultation.

In the interim, we have examined the Draft Local Plan (DLP), and associated documents, and can provide the following comments to assist the Council's progression of the Local Plan and the evidence base required to underpin this.

Policy/Paragraph	Comment
SSP1: Settlement Hierarchy	Our client supports the inclusion of Andover as the top tier settlement in the hierarchy, as deduced through the Council's ' <i>Settlement Hierarchy Assessment</i> ' (TVBC, Feb 2022). As outlined in paragraph 3.29 of the DLP, this settlement's role and function extends beyond just the needs of the borough, which has rightly in our view been accounted for in this classification.

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[REDACTED] [turley.co.uk](http://turley.co.uk)

We also support the conclusion that Andover and Romsey comprise the only settlements in Tier 1.

We would suggest further work is undertaken to refine the lower tier settlement hierarchy, to ensure it is consistent with the Council's objectives to foster sustainable patterns of development. It is noted from the '*Settlement Hierarchy Assessment*' (TVBC, Feb 2022), that the accessibility of a settlement to other large neighbouring urban areas has been considered in the scoring of lower tier settlements. However, the weighting applied to this is unclear, and is at times difficult to follow. For example, there is a marked difference between the sustainability credentials of Nursling and Rownhams, which are contiguous with the urban area of Southampton, versus the more remote settlement of Wellow. Yet, both are classified as Tier 2 Settlements.

The settlements potential to foster sustainable patterns of development is immeasurably different consequently. We would suggest that 'limiting the need to travel'<sup>1</sup>, and hence reducing congestion and emissions on routes into neighbouring urban areas, would be an appropriate means to weight settlements such as this. We note and understand further work is planned on such matters between Regulation 18 Stages 1 and 2 of the DLP, so we merely highlight this issue now for assistance.

Whilst we have no objection in principle to distributing modest levels of growth to settlements other than Andover and Romsey, we suggest this should be commensurate with the settlement's sustainability, role, and function. The spatial distribution strategy has a key part to play in fostering sustainable development patterns, and in assisting the Council meet its climate emergency pledges. In this respect, we concur that the Council should seek to maximise opportunities for growth at its tier 1 settlements, which offer the greatest opportunity to foster sustainable development patterns, with residual requirements distributed in accordance with the settlement hierarchy, having regard to local needs and the sustainability objectives of the DLP as a whole.

Finally, we have assessed both the *Spatial Strategy Topic Paper* (TVBC, Feb 2022), and the Councils *Sustainability Appraisal* (TVBC, 2022) and concur that options C, D and E are most likely to deliver on the Councils vision and objectives; subject to the caveat above with respect to option E, by ensuring growth distributed to settlements

<sup>1</sup> Paragraph 105, NPPF (MHCLG, 2021)

	<p>beyond Andover and Romsey is commensurate with settlement sustainability, and reducing the need to travel in support of the Councils climate change objectives.</p>
<p>Strategic Policy 6: Housing Provision</p>	<p><u>Housing Need</u></p> <p>Paragraph 16 of the ‘<i>Strategic Housing Market Assessment</i>’ (<i>JG Consulting</i>, Jan 2022) [SHMA] sets out the steps taken to calculate the areas Local Housing Need (LHN) in accordance with Planning Practice Guidance (PPG).</p> <p>Step 1 of this process confirms the projected household growth for the period 2021-2031, using the dataset required by the PPG, which we concur is the current available figure for this period.</p> <p>Step 2 makes an affordability adjustment to this, by a factor of 1.36, to account for the latest median workplace-based affordability ratios published by the ONS. The ratio used is that for 2020, which was 9.76. This resulted in a minimum LHN figure of 541pa once steps 3 and 4 were completed.</p> <p>However, since the publication of the SHMA in January 2022, the ONS have released the corresponding ratio figure for 2021. This shows that affordability has worsened, to a ratio of 10.6. The adjustment factor accordingly rises to 1.4125, and with it the resulting minimum LHN, using the same period for comparison, to <b>562pa</b>. We note the Council acknowledge the potential need for such updates in paragraph 5.13 of the DLP, which we agree need to be accounted for in the next stages of the DLP.</p> <p>PPG [Paragraph: 010 Reference ID: 2a-010-20201216 (NPPG, 2020)] confirms that:</p> <p><i>‘The standard method for assessing local housing need provides <u>a minimum starting point</u> in determining the number of homes needed in an area. It does not attempt to predict the impact that future government policies, changing economic circumstances or <u>other factors might have on demographic behaviour</u>. Therefore, <u>there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates.</u> (our emphasis).</i></p> <p>Paragraph: 024 Reference ID: 2a-024-20190220 of the PPG goes on to say:</p>

*‘An increase in the total housing figures included in the plan may need to be considered where it could help deliver the required number of affordable homes.’*

Paragraph 18 of the SHMA (Jan 2022) suggests there, *‘are no circumstances in Test Valley relating to growth funding, strategic infrastructure improvements or affordable housing need which indicate that ‘actual’ housing need is higher than the standard method indicates.’*

This is reiterated at paragraphs 5.11-5.12 of the DLP, with a further assertion that, *‘At present there is no evidence of any unmet housing need in neighbouring local authority areas; this will need to be kept under review. For the purposes of the Sustainability Appraisal, we don’t consider there are any reasonable alternatives to assess’ (our emphasis).*

We do not agree; and suggest this is an unjustified departure from SEA regulations with respect to such alternatives. Turning firstly to affordable housing. Over the proceeding 10-year period (2011-2021), the median workplace-based affordability ratios for the borough have grown from 8.76 to 10.60, indicating worsening affordability.

At paragraph 5.66 of the SHMA (Jan 2022), the consultant confirms that *‘The analysis for Test Valley estimates an annual need for **437** rented affordable homes, which is notionally 81% of the minimum Local Housing Need of 541 dwellings per annum. (our emphasis).*

At paragraph 5.96 of the SHMA (Jan 2022), the author confirms an estimated additional net need for affordable home ownership, *‘for around **215** dwellings per annum, with a need being shown in all areas.’* The author goes on to state:

*‘...it does seem that there are many households in Test Valley who are being excluded from the owner-occupied sector. This can be seen by analysis of tenure change, which saw the number of households living in private rented accommodation increasing by 56% from 2001 to 2011 (with the likelihood that there have been further increases since). Over the same period, the number of owners with a mortgage dropped by 14%.’ (our emphasis).*

Concluding on the issue the author confirms at paragraph 37 of the SHMA (Jan 2022), that *‘the analysis identifies a notable need for affordable housing, and it is clear that provision of new affordable housing is an important and pressing issue in the Borough. It does however need to be stressed that this report does not provide an affordable*

*housing target; the amount of affordable housing delivered will be limited to the amount that can viably be provided. The evidence does however suggest that affordable housing delivery should be maximised where opportunities arise.’ (our emphasis).*

Firstly, in the interests of transparency and clarity for the public, we would recommend an affordable housing target is deduced and consulted upon. This will assist in monitoring and managing the effectiveness of the housing policies in the Local Plan post its adoption.

Secondly, whilst acknowledging whole plan viability work is pending, it seems evident there is an acute need for affordable housing that is unlikely to be viably met from the minimum LHN figure of 541pa alone. Indeed, far from it using the thresholds preferred at paragraph 5.29 of the DLP.

Given affordable housing needs are not likely to be met, and there is strong evidence of worsening affordability over the last 10 years, there are strong grounds to suggest an upward adjustment to the LHN figure is needed. It would certainly be prudent for the Council to at least test a reasonable alternative higher than 541pa, through their SA process. The absence of which we would suggest is a significant omission from the SA, which is both unjustified and contrary to NPPF and PPG, which seek to ensure the devised plan strategy is appropriate, considering the reasonable alternatives. We contend there is sufficient evidence to justify a need to consider reasonable alternatives to failing to meet needs, which would otherwise be contrary to NPPF paragraph 35; and recommend these alternatives are explored through the next iteration of the SA process.

Turning next to the assertion at paragraphs 5.11-5.12 of the DLP, that *‘there is no evidence of any unmet housing need in neighbouring local authority areas’*.; and hence, *‘...we don’t consider there are any reasonable alternatives to assess’*.

This is factually incorrect in our view, as part of the borough falls within the Partnership for South Hampshire sub-region, where there are well documented<sup>2</sup> unmet needs for housing, and as yet, an unresolved strategy to address. This includes documented unmet needs identified through the examination of the New Forest National Park Local Plan, which also adjoins the borough. To ensure the plan is ‘positively prepared’, we would suggest the Council ought to be testing reasonable alternatives other than the minimum LHN figure. We would suggest that the assertions at

<sup>2</sup> Unmet needs for circa 13,000 homes - Paragraph 3.37 of Statement of Common Ground (PfSH, Oct 2021)

paragraphs 5.11-5.12 of the DLP are revised accordingly. Particularly when there are known unmet needs in adjoining authorities.

In addition, for transparency, we would suggest the Council publish a Duty to Cooperate Topic Paper, as at present, it is unclear the extent to which there are known unmet needs in the area, and more importantly what strategy options are being considered between adjoining authorities to address this. The statutory Duty to Cooperate under Section 33A of the 2004 Act requires TVBC to demonstrate they have engaged with adjoining authorities constructively, actively and on an on-going basis, throughout the preparation of the DLP. This understandably does not start with a request for formal assistance with unmet needs from an adjoining LPA. Nor does the absence of such a request absolve an authority of this legal duty. If such requests arrive late in the plan production process, and the Council have not tested reasonable alternatives to meet additional growth beyond the minimum LHN figure, the Council have very little evidence to determine whether they can or cannot assist. This would potentially delay plan production whilst further reactionary assessments are undertaken.

Taken together, and in the spirit of producing 'positively prepared'<sup>3</sup> plans, we contend there are affordability and unmet housing need grounds to suggest an uplift to the minimum LHN figure should be tested, as least as reasonable alternatives through the SA process, and in accordance with the SEA regulations.

### *Housing Market Areas*

Turning firstly to the boundaries and extent of the HMAs across Test Valley. The current adopted Local Plan uses two Housing Market Areas (HMAs) to inform the spatial distribution of growth through Policy COM1. These are Southern Test Valley (STV) and Northern Test Valley (NTV). The HMA splits across Test Valley have formed a key part of the joint spatial strategies agreed with adjoining authorities for many decades, which pre-2010, was encouraged under the umbrella of the RSS and before that, the Hampshire Structure Plan. A sub-regional strategy was devised between the south Hampshire authorities, of which Test Valley was one, thereafter named the Partnership for Urban South Hampshire (PUSH). Whilst this regional tier was abandoned in 2010, the PUSH authorities (since renamed PfSH) saw

<sup>3</sup> Paragraph 35 NPPF (MHCLG, 2021)

merit in continuing to collaborate jointly on such matters, as part of their new legal Duty to Cooperate.

The PFSH authorities have consistently concluded and re-validated the HMAs, confirming those bisecting Test Valley are not self-contained within the borough, they extend beyond it into adjoining authorities. Consequently, there has remained a sound logic in joint working to agree on HMA boundaries, particularly when working together to agree an appropriate spatial distribution of growth and unmet needs between these authorities.

The PFSH authorities have consistently worked together to agree the HMA boundaries, including those applicable to the southern parts of Test Valley, and have not signalled any intention to revisit these in their latest Statement of Common Ground<sup>4</sup>.

We therefore noted with interest the work undertaken by the Council to re-define the HMAs for NTV and STV<sup>5</sup>, relocating the boundary to geographically align more centrally across the borough. Given the HMA boundaries are strategic in nature and are an established part of joint working between the PFSH authorities, we are surprised this approach has been taken unilaterally. We would suggest there are benefits to revisiting this, with a view to being consistent with the PFSH strategic approach. Adopting two differing approaches is not in our view conducive to facilitating constructive and effective strategic planning. A point we sense the Councils own consultant recognised at paragraph 7.15 of the Housing Market Areas Study (jgC, 2021), in stating:

*‘Recognising that HMA boundaries will have an element of overlap and are to a degree a matter of judgement, it is not unreasonable for the Southampton HMA boundary, as defined in the PFSH work, to be retained for strategic plan making while the definition of the Romsey and South East HMA herein is used for local planning purposes only’.*

We would recommend any decision to amend the HMA boundaries would be better informed through joint working with adjoining LPAs, including those comprising PFSH. As outlined in paragraph 24 of NPPF (2021), *‘Local planning authorities and county councils (in 2-tier areas) are under a duty to cooperate with each other, and with other prescribed bodies, on strategic matters that cross administrative boundaries.’* The definition of a HMA, and its influence on

<sup>4</sup> Statement of Common Ground (PFSH, Oct 2021)

<sup>5</sup> Housing Market Areas Study (jg Consulting, Jan 2022)

the spatial distribution of growth between adjoining authorities is a clear example in our view of a ‘strategic matter’ that needs cooperation over. This is a matter that ought to be covered by a statement of common ground with such authorities. As it stands, the latest Statement of Common Ground (Oct 2021) between the PFSH authorities, which includes TVBC, confirms:

*‘There is common agreement amongst partner authorities that the PFSH area is an appropriate geography on which to prepare a Joint Strategy to deal with cross boundary strategic planning matters and support the production of local plans. An extensive evidence base has identified the housing market areas and the need to plan at the South Hampshire scale has previously been considered. Significant information is included within the 2014 GL Hearn Strategic Housing Market Assessment and previous evidence base work related to the physical environment has demonstrated the synergies for collaborative planning in South Hampshire. It is not intended to revisit the definition of the sub-region as part of the work identified in this SoCG.’ (our emphasis).*

Accordingly, we respectfully recommend any updates to HMAs are pursued through joint working with the relevant adjoining authorities, not unilaterally. If the Council choose not to pursue this course of action, we suggest as a minimum, that the SA accompanying the plan tests the existing HMA boundaries as a reasonable alternative. There is no justification in our view for omitting this reasonable alternative, as is evidently the case in the current SA (2022).

#### *Split Housing Requirement*

As outlined above, the revised HMA boundary runs at odds with the strategic approach taken by the PFSH, and the current adopted Local Plan, and instead seeks to / results in more of an even split across the borough between NTV and STV. We have outlined our views on this, and suggest this is revisited with neighbouring LPAs, and tested through the SA process accordingly.

In addition, we note at paragraph 5.9 of the Councils Housing Topic Paper (TVBC, Feb 2022), that:

***‘The only reasonable approach identified was to split the scale of housing need between the HMA on a demographic basis (i.e., the existing population split), reflecting that the standard method of identifying local housing needs is based on a demographic data.*** (our emphasis).



We would suggest there are indeed reasonable alternatives that ought to have been tested, and consequently, we are not able to support this as *'an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence (Paragraph 35, NPPF, 2021).*

Whilst demographic considerations are a key part of determining an appropriate split, they are not the only one. Indeed, there are many considerations key to determining this split, which may stem from the vision and objectives of DLP for the plan period. This requires analysis, consultation and testing through the SA process, to arrive at an appropriate split. This was recognised and explored as part of the current adopted local plan. At paragraph 5.25 of the adopted local plan, a 67:33 split was proposed between NTV and STC based on job forecast data; and the Council's aspirations for Andover to maintain a degree of self-containment in the labour market, and assist in sustaining its leisure and retail offer. This recognised the role and function of Andover, not only across the borough, but in the wider area.

Paragraph 5.52 of the DLP confirms that the Council have yet to conclude on the borough's anticipated employment needs, and the approach to meeting this. As a result, it is perhaps premature to suggest a housing split of 57%:43% deduced purely on *'the amount of population in each HMA'*<sup>6</sup>, is the *'only reasonable approach'*<sup>7</sup>. Indeed, as the Council's consultant states:

*'Ultimately, it will be for the Council to decide on the distribution of growth within the borough boundaries taking into account wider considerations such as sustainability, capacity and environmental constraints.'*

We suggest this does not just apply to the distribution of sites, but to the spatial strategy implication of the housing requirement split adopted at the outset.

As a result, we would suggest that the reasonable alternatives to both the HMA boundaries and housing split be revisited and tested through the SA prior to the next iteration of the DLP. Given the role and function of Andover, there may well remain a case to suggest greater emphasis continues to be placed on NTV, particularly in attracting and retaining a skilled workforce to underpin the economic growth aspirations for this area. This will become clearer following the completion of the further assessments planned

<sup>6</sup> Paragraph 5.18 of DLP

<sup>7</sup> Paragraph 5.9 of Housing Topic Paper (TVBC, 2022)

by the Council on such matters. We therefore reserve judgement on the final split until this information has been published, and reasonable alternatives have been tested through the next iteration of the SA.

*Next Steps*

We note and support the Council scrutinising existing sources of supply, including windfall, to ensure delivery assumptions and rates are robust and realistic, with appropriate contingency built in to ensure housing requirements are met within the plan period.

We also note the distribution of the residual housing requirements will be addressed at the next stage of the DLP, once the further assessment of options has been completed.

Our client has commissioned consultants to undertake assessments of their land interests at Andover. These assessments will inform the production of a vision document and masterplan for these over the coming weeks, which our client would welcome the opportunity to share and discuss further with the Council. Our clients land interests are well located, are of a modest scale, and are readily deliverable within the first five years of the plan period. Our client would welcome the opportunity to discuss the role these lands could play in the context of the emerging DLP in due course.

We trust these comments are useful and duly noted. We would welcome the opportunity to meet representatives of Test Valley Borough Council to discuss such matters further over the coming weeks.

Yours sincerely



Ryan Johnson  
Director, Head of Residential Sector

