

Spatial Strategy Topic Paper

Draft Local Plan 2040 – Regulation 18 Stage 2

February 2024

1 Introduction

- 1.1 The purpose of this topic paper is to provide a summary of the process that has led to defining the local plan spatial strategy. This paper has been prepared in support of the current consultation on the draft Local Plan 2040 (Regulation 18 Stage 2).
- 1.2 The discussion in this paper is primarily housing led with matters regarding the proposed spatial strategy for employment set out in a separate topic paper. Discussion regarding the spatial strategy and associated evidence for Gypsy and Travellers and Travelling Showpeople is set out in the Housing Topic Paper.
- 1.3 The proposed spatial strategy has also been prepared in consideration of national and local policy, key evidence studies, Sustainability Appraisal (SA), and responses received to previous local plan consultation stages. The 'Interim SA Report' provides further detail on the process of establishing reasonable alternative growth scenarios and defining the Local Plan spatial strategy.
- 1.4 Following the current consultation this topic paper will be updated (as appropriate) and published alongside the Regulation 19 Local Plan, considering consultation responses, further evidence preparation and any changes in national and local policy. The interim SA Report, full range of topic papers and evidence that has informed the preferred spatial strategy can be viewed on the Council website¹.

Overview of Topic

- 1.5 The Spatial Strategy sets out the overall proposed distribution for growth in Test Valley, over the plan period to 2040. It sits alongside the plan objectives, and sets out the quantum, location, and type of growth (including proposed strategic allocations) that the plan is seeking to deliver and how this will be supported. The proposed spatial strategy is supported by a suite of policies in the draft local plan 2040.
- 1.6 The process of defining the spatial strategy has involved the identification and appraisal of reasonable alternative growth scenarios which are discussed further in this paper. A range of factors have influenced the identification of reasonable growth scenarios including the strategic objectives of the Plan, 'strategic factors', and site options. Strategic factors include objectively assessed housing needs and 'Broad Distribution' factors that consider which broad areas of the plan area are more sustainable to accommodate growth.

¹ [Draft Local Plan 2040 | Test Valley Borough Council](#)

2 Policy Context

National Policy Context

- 2.1 Local planning authorities are required to address the requirements set out in National planning guidance in preparing their local plans, namely the National Planning Policy Framework (NPPF, December 2023) and the National Planning Practice Guidance (PPG).

National Planning Policy Framework (December 2023)

- 2.2 At the heart of the NPPF is a presumption in favour of sustainable development, which plans should pursue positively throughout their preparation. Paragraph 7 in the NPPF sets out that the purpose of the planning system is to contribute to the achievement of sustainable development, including the provision of homes, commercial development, and supporting infrastructure in a sustainable manner.
- 2.3 Paragraph 8 states that achieving sustainable development requires the planning system to have the three overarching objectives of economic, social and environmental sustainability, which are interdependent and need to be pursued in mutually supportive ways. The Social Objective specifically highlights the importance of supporting strong, vibrant and healthy communities, by ensuring that a sufficient number and range of homes can be provided to meet the needs of present and future generations. It notes this can be secured by fostering a well-designed, beautiful and safe places, with accessible services and open spaces that reflect current and future needs and support communities' health social and cultural well-being.
- 2.4 Paragraph 11 states that plans should promote a sustainable pattern of development that seeks to: meet the development needs of their area; align growth and infrastructure; improve the environment; mitigate climate change (including by making effective use of land in urban areas) and adapt to its effects.
- 2.5 At paragraph 20, the NPPF requires strategic plan policies to set out an overall strategy for the pattern, scale and design quality of places, and make sufficient provision for:
- (a) housing (including affordable housing), employment, retail, leisure and other commercial development;
 - (b) infrastructure for transport, telecommunications, security, waste management, water supply, wastewater, flood risk and coastal change management, and the provision of minerals and energy (including heat);
 - (c) community facilities (such as health, education and cultural infrastructure); and
 - (d) conservation and enhancement of the natural, built and historic environment, including landscapes and green infrastructure, and

planning measures to address climate change mitigation and adaptation.

- 2.6 Paragraph 35 states that local plans are examined to assess whether they have been prepared in accordance with legal and procedural requirements, and whether they are sound. Plans are 'sound' if they are:
- a) **Positively prepared** in providing a strategy which, as a minimum, seeks to meet the area's objectively assessed needs;
 - b) **Justified** by providing an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence;
 - c) **Effective** in being deliverable over the plan period, and based on effective joint working on cross-boundary strategic matters; and
 - d) **Consistent with national policy** in enabling the delivery of sustainable development in accordance with the policies in this Framework and other statements of national planning policy, where relevant.
- 2.7 Paragraphs 82 and 83 refer to rural areas, where plan policies should reflect local needs, including provision of community led development and affordable housing. In rural areas, housing should be located where it will enhance or maintain the vitality of rural communities and the services they support, to enable them to thrive. Where there are groups of smaller settlements in rural areas, it is noted that development in one may support services in another nearby settlement.
- 2.8 Paragraph 88 advises that planning policies and decisions should enable the retention and development of accessible local services and community facilities, such as local shops, meeting places, sports venues, open space, cultural building, public houses and places of worship.
- 2.9 Paragraph 90 confirms the key role that town centres play at the heart of local communities and sets out that plans should support their growth, management and adaptation, to promote long term viability and vitality. The NPPF advises authorities to recognise that a suitable mix of uses in town centres (including housing) can help to promote vitality.
- 2.10 Paragraph 97 states that to provide the social, recreational and cultural facilities and services that the community needs, planning policies and decisions should plan positively for the provision and use of shared spaces, community facilities (such as local shops, meeting places, sports venues, open space, cultural buildings, public houses and places of worship) and other local services to enhance the sustainability of communities and residential environments.
- 2.11 Paragraph 109 advises that significant development should be focused on locations which are or can be made sustainable, through limiting the need to travel and offering a genuine choice of transport modes. However, the NPPF recognises that opportunities to maximize sustainable transport solutions will

vary between urban and rural areas, and that this should be taken into account in plan-making.

- 2.12 Paragraph 110 notes that planning policies should support an appropriate mix of uses across an area and within larger scale sites, to minimise the number and length of journeys needed for employment, shopping, leisure, education and other activities.
- 2.13 Paragraph 123 states that plans and decisions should promote an effective use of land in meeting the need for homes and other uses and in a way that makes as much use as possible of previously-developed or brownfield land.

Planning Practice Guidance (PPG)

- 2.14 The National PPG on plan making states that plans set out a vision and framework for the future development of the area, addressing needs and opportunities in relation to housing, the economy, community facilities and infrastructure – as well as a basis for conserving and enhancing the natural and historic environment, mitigating and adapting to climate change, and achieving well designed places (paragraph 001).
- 2.15 Authorities must therefore prepare local plans by assessing future needs and opportunities for their areas, exploring and identifying options for addressing these needs, and setting out a preferred approach to delivering for these identified needs. The PPG advises that the process should involve gathering evidence, carrying out a sustainability appraisal, and effective engagement and consultation with local communities, businesses and other interested parties (paragraph 034). In this way, the Local Plan should be able to show how the presumption in favour of sustainable development will be applied locally (paragraph 036).

Local Policy Context

The Corporate Plan 2023 – 2027 ‘A Place for Everyone – Supporting our Communities to Thrive’

- 2.16 The Council's Corporate Plan, approved in 2023, sets out a vision and strategic priorities to guide the work of the Council and its investment priorities. The strategic priority areas are as follows:
 - a) **Sustainability** – delivering lasting benefits for our communities
 - b) **Connection** – building upon the identity, strengths and ambitions of our communities
 - c) **Environment** – a greener borough for our communities
 - d) **Inclusion** – working together to create opportunities for our communities
 - e) **Prosperity** – economic growth that impacts positively on our communities

- 2.17 We recognise that our communities have varying needs and our approach to delivering our priorities will need to be tailored to reflect this. The Four-year Corporate Plan 2023-27 splits Test Valley into three place-based areas reflecting the varying needs of the Borough's communities. These are:
- Andover and Romsey
 - Chilworth, North Baddesley, Nursling and Rownhams and Valley Park,
 - Villages and Rural Area
- 2.18 The strategic priorities are embedded within the Local Plan 2040. The delivery of the Local Plan 2040 takes forward the place-based approach to working with our communities as set out in the Four- year (Corporate) Plan 2023-27.

Test Valley Borough Council Climate Emergency Action Plan (CEAP) (2020)

- 2.19 Climate change is one of the greatest challenges which we face. The Government has set a statutory target for the country to achieve net zero carbon emissions by 2050. Reflecting this, the Council declared a climate emergency in September 2019 and approved its first Climate Emergency Action Plan (CEAP) in 2020. A new Climate Change Emergency Action Plan will be prepared to set out the positive action the Council will take to becoming a carbon neutral organisation and working with communities to help them decarbonise. The Local Plan 2040 is addressing and countering our changing climate through minimising the impact of new development and adaptation.

Adopted Local Plan 2016

- 2.20 The Council adopted a Local Plan in 2016 for the period 2011 to 2029. The spatial strategy set out in the adopted Local Plan seeks to guide the location of development and growth to support the principle of sustainable development. The approach is set out in Table 3 in the adopted plan and comprises a range of spatial statements that are framed around the following key themes:
- Local communities;
 - Local economy;
 - Local environment;
 - Leisure, health and wellbeing;
 - Transport;
 - Community safety; and
 - Education and learning.
- 2.21 The adopted local plan spatial strategy sets out the Council's commitment to creating and maintaining sustainable settlements, through supporting the principle sustainable development including achieving the mutually independent social, economic, and environmental objectives. Growth has been focussed in Andover, Romsey and at our Local Service Centres through a series of new neighbourhoods and site allocations, including mixed use,

employment and housing developments, served by infrastructure and facilities where appropriate.

- 2.22 The spatial strategy in the adopted Local Plan is considered to have been positively delivered, in terms of housing delivery within the Borough. The site allocations set out in the plan have largely been delivered or are currently being delivered. This has been achieved during the early to medium lifetime of the plan, and the housing requirement for market and affordable has also been met and exceeded.
- 2.23 The five-year review of the adopted Local Plan (undertaken in 2021)² identified that the spatial strategy remained sound. Through the review it was noted that that planning policies and the spatial strategy would be reviewed as part of the preparation of the next local plan to look beyond the adopted Local Plan period (2029) and ensure local priorities and national planning policy continue to be reflected in the identified approach.

Neighbourhood Plans

- 2.24 Our local communities can produce their own plans for their villages or communities, including as Neighbourhood Plans, which can potentially identify sites for development. There are a number of made Neighbourhood Plans in the Borough and others are at varying stages in the process. Housing land supply from 'Made' and emerging Neighbourhood Plans in Test Valley is small scale and contributes to localised need in smaller rural settlements. Once Neighbourhood Plans are 'Made' housing supply from these plans will contribute to the housing requirement and maintaining a 5-year housing land supply.
- 2.25 The Council will provide support for communities producing neighbourhood plans and provide housing requirements for designated neighbourhood plan areas (in accordance with NPPF paragraph 66). Further on the methodology for defining Neighbourhood Plan housing requirements and the proposed housing figures for designated Neighbourhood Plans is set out in the Housing Topic Paper.
- 2.26 Neighbourhood Plans provide a key mechanism to deliver community led housing in the rural area of a proportionate scale that is consistent with the local plan settlement hierarchy.

² Available at: <https://testvalley.gov.uk/planning-and-building/planningpolicy/local-development-framework/dpd>

3 Effective Co-operation

- 3.1 As part of the preparation of the Local Plan, the Council is liaising with neighbouring authorities regarding strategic cross-boundary matters including housing delivery. The Council is also taking a wider strategic approach to cross boundary issues with the Partnership for South Hampshire (PfSH).
Partnership for South Hampshire (PfSH) – Spatial Position Statement (2023)
- 3.2 The PfSH has produced a revised Spatial Position Statement (SPS) published in December 2023. The SPS is a non-statutory high-level strategic plan, providing guiding principles to inform emerging local plans and assisting the local planning authorities in meeting the Duty-to-Cooperate, and its potential successor. This includes guiding principles for the delivery of housing and employment development in South Hampshire.
- 3.3 The SPS identifies the respective local housing needs (LHN) of the individual PfSH authorities as advised by the respective local authorities. The SPS then sets out a current snapshot of housing supply against LHN for the PfSH local authority areas. In doing this there is a current shortfall in housing supply, however, the SPS acknowledges that this will be addressed through preparation of local plans in the PfSH area. Therefore, currently no definitive unmet housing need is defined.
- 3.4 The SPS identifies ‘broad areas of search for growth’ but does not identify sites or the quantum of growth to come forward in these areas. Two ‘areas of search’ are identified in Test Valley as follows:
- East of Romsey (Test Valley)
 - South-west of Chandler’s Ford (Test Valley)
- 3.5 The SPS places emphasis on local plans to determine the appropriate housing strategy for their area and the ‘broad areas of search for growth’ in terms of quantum and distribution. The SPS does not set out a need for Test Valley to pursue a housing requirement above LHN (derived from the standard method). Through the preparation of the local plan, the Council has considered reasonable alternative growth scenarios in accordance with the settlement hierarchy and also within the ‘areas of search’ identified in the SPS.

Partnership for South Hampshire (PfSH) - Statement of Common Ground (SOCG) (2023)

- 3.6 A Statement of Common Ground (SOCG) has been prepared with the PfSH authorities which sets out how the authorities will work together on strategic cross boundary issues in South Hampshire. The SOCG will be updated as appropriate to take account of progress in the preparation of local plans in the PfSH area. The SOCG sets out progress on evidence streams that have informed the latest PfSH Spatial Position Statement. The SOCG does not define any unmet housing need from the South Hampshire area. Should any

definitive unmet housing need be defined this will be addressed through bilateral SOCGs prepared between the PfSH authorities. It is also acknowledged that there will be some strategic issues that need to be considered in the context of a wider geographical area than the PfSH boundary.

The North Hampshire Narrative

- 3.7 The Council is working with Basingstoke and Deane, Hart and Rushmoor Councils as set out in the 'North Hampshire Narrative', which articulates what this wider area has to offer, its aspirations for development and what is needed to address housing, economic and infrastructure challenges, based on existing local plans, strategies and evidence. Place making and design is a key theme and opportunities have been identified to collaborate on; town centre regeneration; economic Initiatives including investment in skills; transport; green infrastructure and diversification in the housing market. Within the northern Test Valley housing market area (HMA) there has been no request to accommodate any unmet housing need from neighbouring authorities that would have a bearing on the local plan spatial strategy.

Key Conclusions for the Spatial Strategy

- 3.8 In relation to achieving effective co-operation with neighbouring authorities, the following key conclusions have been made:
- There is currently no definitive unmet housing need in the north and the south of the plan area that needs to be accommodated in Test Valley. However, there could be potential for unmet housing need to be identified during preparation of this local plan. If definitive unmet housing need is not identified during the preparation of this plan this issue will be considered again during preparation of the next local plan. The potential impacts from unmet housing need have been considered in the preparation of this plan and in the SA of reasonable alternative growth scenarios in the south of the plan area.
 - The Council will continue to work closely with neighbouring authorities on cross boundary strategic matters including with the PfSH authorities in South Hampshire (in relation to the Spatial Position Statement and Statement of Common Ground). This also includes working with neighbouring authorities in the north of the plan area in relation to the North Hampshire Narrative.
 - The Council will continue to work with neighbouring authorities as appropriate in the preparation of bilateral statements of common ground dealing with cross boundary strategic matters.

4 Relevant Evidence

- 4.1 The following key evidence studies have influenced the emerging spatial strategy including strategic factors such as objectively assessed needs for housing and employment. Key evidence studies including the strategic housing market assessment (SHMA) and housing market area study (HMAs) have influenced housing distribution by housing market area (HMA). In terms of 'bottom up' factors the SHELAA is identified as a key source of sites in addition to sites submitted through the local plan consultation stages.

Test Valley Borough Strategic Housing Market Assessment (SHMA) (2022)

- 4.2 A key element of the evidence base for the Local Plan is the Borough's Strategic Housing Market Assessment (SHMA) 2022. This was commissioned by the Council and completed by Justin Gardner Consulting (JGC). The SHMA sets out overall housing need as well as looking at affordable housing need, in the context of national policy. The study also looks at the needs from a range of specific groups in the population, including older persons.
- 4.3 The SHMA provides a local housing need assessment for Test Valley Borough, which has been calculated using the approach set out in the NPPF, and in accordance with the 'standard method'. The current local housing need (LHN) figure for Test Valley is 550 homes per annum which equates to 11,000 dwellings over the plan period 2020 to 2040.

Housing Market Area Study (HMAS) (2022)

- 4.4 The HMAS provides evidence regarding the Test Valley 'housing market areas' (HMAs) and was prepared in accordance with national policy. A housing market area is defined in the NPPF as 'a geographical area defined by household demand and preferences for all types of housing, reflecting the key functional linkages between places where people live a work'. Defining and understanding the Housing Market Areas in Test Valley helps to inform the distribution of housing.
- 4.5 The HMAS (2022) recommends the continuation of two separate HMAs, one for Northern Test Valley (NTV) and another for Southern Test Valley (STV). A revised boundary between these HMAs is proposed in the HMAS (2022) to better reflect current regional and sub-regional characteristics, the demographics and geography of the Borough, commuting patterns and Travel to Work Areas, and our relationship to neighbouring towns and settlements. The proposed boundary split would broadly follow the route of the A30 across the centre of the Borough, east to west. The HMA boundaries and a more detailed breakdown of the housing requirement are explained more fully in the Housing Topic Paper.
- 4.6 It is proposed that the housing requirement is split according to the population between the northern and southern Test Valley HMAs. This is consistent with the 'standard method' for calculating local housing need, which is derived

from demographic data. The housing requirement is split with 57% (6,270 dwellings) provided in the northern HMA and 43% (4,730 dwellings) in the southern HMA, reflecting the demographics of the two housing market areas.

Hampshire County Council's Local Transport Plans (LTP3 and LTP4)

- 4.7 As the statutory Highway Authority, Hampshire County Council (HCC) is required to have in place a Local Transport Plan (LTP). The current LTP (LTP3) was produced in 2011 but is no longer relevant to today's challenges and opportunities. A new plan (LTP4) is currently in preparation to supersede LTP3 and will form transport policy for HCC to 2050 and will also reflect national and regional policy guidance. A draft LTP4 was published for consultation in April 2022. The LTP4 consultation sets out a vision to support a "A carbon neutral, resilient, and inclusive transport system designed around people, which: supports health, well-being, and quality of life for all; supports a connected economy and creates successful and prosperous places; and respects and seeks to enhance Hampshire's unique environment." One of the guiding principles behind LTP4 is to significantly reduce dependency on the private car.

Employment, Economic and Commercial Needs

- 4.8 The first step in assessing our employment needs was the Employment, Economic and Commercial Needs Study (Stantec) 2021 which was prepared jointly through the Partnership for South Hampshire (PfSH). This study covered the whole of Test Valley and split the assessment of need between the north and south Test Valley functional economic market areas (FEMAs). This study has limitations which are also recognised by the Council and the PfSH. These include the weight given to completions over the last 5 years which are factored into projections over the plan period to 2040. Also, the employment projections included in this study for Test Valley factor in sub regional need that is not required to be delivered in the Borough.
- 4.9 Reflecting the outcomes and conclusions of the PfSH study a further employment needs study has been undertaken. The Test Valley Employment Needs and Further Analysis Study (2023) provides a robust assessment of employment land requirements for the plan area to 2040. The study identifies a boroughwide employment land requirement of 71.7ha to be delivered over the plan period to 2040. This employment land requirement is also split between the functional economic market areas (FEMAs) which are consistent with the housing market area (HMA) boundaries. The split is 31.3ha in Northern Test Valley and 40.4ha in Southern Test Valley. The PfSH and DLP employment studies are available to view on the Council's website³.
- 4.10 The Employment Land Topic Paper and interim SA Report sets out the process that has led to defining the preferred spatial strategy for employment.

³ <https://www.testvalley.gov.uk/planning-and-building/planningpolicy/evidence-base/evidence-base-local-economy>

Strategic Housing and Economic Land Availability Assessment (SHELAA)

- 4.11 A Strategic Housing and Economic Land Availability Assessment (SHELAA) for Test Valley was published in January 2024. It sets out all the sites that have been promoted and identified for potential future development. This evidence helps the Council to identify what land in the Borough could be available to deliver housing, supporting infrastructure and economic development, which will then be subject to more detailed assessment. It provides an indication of capacity and forms part of the local evidence base for the local plan.
- 4.12 The assessment of sites in the SHELAA and those submitted through the local plan consultation stages is the starting point (in addition to existing housing supply) to identify sufficient provision to meet the housing requirement and in accordance with the emerging spatial strategy.

Key Conclusions for the Spatial Strategy

- 4.13 In relation to the strategic evidence studies prepared alongside the local plan the following conclusions can be made:
- The local housing need assessment (LHN) identifies an annual need for 550 homes which equates to 11,000 homes over the plan period to 2040. In accordance with national policy the local plan spatial strategy will need to identify sufficient housing supply to provide for LHN.
 - The SHMA and HMAs (2022) provide justification for the spatial strategy to identify separate growth strategies for the northern and southern HMAs based on the population and housing need of these respective areas.
 - The vision and objectives of the draft LTP4 include reducing the need to travel and locating growth in areas well connected to public transport, services and amenities. This supports a primary focus for growth in the main settlements in the Borough including Andover and Romsey.
 - The DLP Test Valley Employment Needs and Further Analysis Study (2023) provides a robust assessment of employment land requirements for the plan area to 2040. This study provides the objectively assessed employment land requirement for the local plan and informs the spatial strategy for employment in terms of distribution of development between the functional economic market areas (FEMAs) which align with the HMA boundaries.
 - In addition to ‘top down’ strategic factors such as the settlement hierarchy, the assessment of sites in the SHELAA and those submitted through local plan consultation stages is the starting point to meet the housing requirement (in addition to existing housing land supply).

5 Options Considered at Previous Consultation Stages

5.1 The public consultation stages undertaken to date comprise the Issues and Options consultation (July 2018), the Refined Issues and Options consultation (June 2020) and the Regulation 18 Stage 1 consultation (2022). At these stages a range of options concerning the broad distribution of development were considered to inform the local plan spatial strategy.

Issues and Options Consultation (2018)

5.2 This consultation stage presented 5 options which at this early scoping stage of the plan concentrated on high level options prior to establishing spatial growth options at later stages of the plan. Options included:

1. Community led distribution primarily through Neighbourhood Plans and other forms of community led development with Local Plan allocations providing for residual housing requirement.
2. Proportionate distribution of development to all parishes based on population.
3. Development delivered primarily by Local Plan allocations with residual windfall allowance.
4. New Settlement option.
5. Hybrid approach capable of incorporating a combination of options.

5.3 Key issues raised at this stage in relation to the spatial strategy included:

- Focus development in the larger settlements including Andover and Romsey and Tier 2 settlements.
- Housing provision in villages and wider distribution of development.
- Development in rural communities to be community led.
- Proportionate growth to settlements in accordance with settlement hierarchy
- Growth distributed to the most sustainable locations with good access to public transport and facilities.
- More even distribution of development across the Borough.
- Consider new village option.
- An evidence led approach.

5.4 This stage of consultation considered a lower proportion of growth in Andover and Romsey relative to the adopted Local Plan. In response to the consultation, it was concluded that a hybrid approach of combining appropriate options would be considered further.

Refined Issues and Options (2020)

5.5 This stage of consultation included discussion around the following options in the plan;

1. Focus of growth in Andover and Romsey

2. Consideration of proportionate growth in southern Tier 2 settlements including Nursing and Rownhams and North Baddesley.
3. Settlement hierarchy led distribution (including growth in the main settlements and rural settlements)
4. Proportionate scale of growth in the rural area
5. Hybrid approach capable of incorporating a combination of options.

5.6 Key issues raised at this stage in relation to the spatial strategy included:

- Support for maintaining two separate HMA and based on parishes, but with mixed comments on boundary division between them.
- Support for settlement hierarchy and tiered approach to settlements but mixed comments on tiers, settlements within them and implications for spatial strategy and distribution of development.
- Housing provision in villages and wider distribution of development.
- Development should be located and designed to facilitate use of sustainable transport modes and reduce private car journeys for short trips. Getting to key destinations such as town centre or education should be safe, convenient, and accessible, particularly for new development on the edge of towns.

5.7 Taking account of responses received to the consultation, the hybrid approach was refined to focus growth in relation to the settlement hierarchy and particularly in Andover and Romsey. This hybrid approach also involves focusing growth in relation to economic centres and transport hubs in the main settlements.

Regulation 18 Stage 1 Consultation (2022)

5.8 At this consultation stage, a spatial strategy approach was assessed through SA and the Spatial Strategy Topic paper (2022)⁴ of aligning growth with the settlement hierarchy but with a more dispersed growth in comparison to the adopted Local Plan. At this stage the following broad distribution options were discussed:

1. Focus of growth in Andover and Romsey
2. Settlement hierarchy led distribution (including growth in the main settlements and rural settlements)
3. Concentrating development at key transport hubs and along public transport routes
4. Concentrating development at key economic centres
5. Proportionate distribution of development to all parishes based on population.
6. New Settlement option.
7. Hybrid approach capable of incorporating a combination of options.

⁴ <https://www.testvalley.gov.uk/planning-and-building/planningpolicy/local-development-framework/draft-local-plan-2040?chapter=5>

5.9 Key issues raised at this stage in relation to the spatial strategy included:

- Andover and Romsey largest and most sustainable settlements.
- Role of neighbourhood plans and community led.
- Meeting needs of rural areas, and growth in sustainable rural settlements.
- Use of previously developed land (brownfield sites), particularly town centres and accessible locations.
- Relationship between development and location of key infrastructure delivered alongside new development.
- Focus development on sustainable locations taking account of infrastructure, community facilities and public transport accessibility.
- Relationship of parts of the Borough to adjoining settlements/neighbouring local authority areas.
- Minimise reliance on private car and maximise alternatives.
- Consider new village.
- Role of smaller sites.

5.10 At Regulation 18 Stage 1 the preferred strategy at this point considered a hybrid approach combining 3 of the above options including:

1. Focus of growth in Andover and Romsey
2. Settlement hierarchy led distribution (including growth in the main settlements and rural settlements)
3. Concentrating development at key economic hubs

5.11 A new settlement option was considered at this consultation stage and appraised through the 'interim' SA report (2022). This option was discounted as LHN can be accommodated in accordance with the settlement hierarchy and at the main settlements without the need for a new settlement. Also, no definitive unmet housing need has been identified with neighbouring authorities that would require consideration of a new settlement.

5.12 The option of concentrating development primarily at key transport hubs would in practice involve concentrating development both in the main settlements and at one or both of the rural train stations in the district. Concentrating development around the rural train stations would only be sustainable as part of a new settlement approach which has been ruled out at this stage as set out above.

5.13 Overall, the emerging spatial strategy at this stage identified a focus for growth in the market towns of Andover and Romsey and also a wider distribution of growth to a larger number of settlements in accordance with the settlement hierarchy. Enabling growth at a larger number of settlements including the rural communities was also supported through responses received to the Refined Issues and Options.

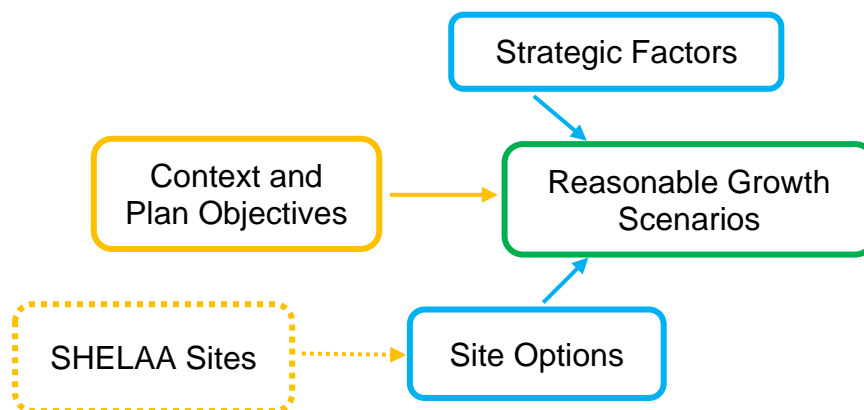
Key Conclusions for the Spatial Strategy

5.14 Following the previous local plan consultation stages the following key conclusions are drawn to inform the proposed spatial strategy:

- Through the preparation of the local plan up to Regulation 18 Stage 1 there has been continued support for directing growth primarily to the main settlements in providing for local housing need (LHN) and in accordance with the settlement hierarchy. The main settlements including Andover and Romsey are sustainable locations for growth being accessible and well connected to community facilities, infrastructure, employment and public transport.
- A number of sites have been promoted at the main settlements capable of delivering LHN. On this basis, there is no compelling reason to direct larger scale strategic housing growth to the rural area.
- In the rural area, smaller scale growth in accordance with the settlement hierarchy is appropriate to support sustaining local facilities in these settlements. Community led development, rural exception sites, Neighbourhood Plans are considered appropriate mechanisms for delivering housing in the rural area.

6 Defining Growth Scenarios

- 6.1 Following consultation on the Regulation 18 Stage 1 Local Plan in 2022 the Council has undertaken a process of defining and appraising reasonable alternative growth scenarios. The appraisal of reasonable alternative growth scenarios has in turn informed the identification of the preferred spatial strategy proposed at this current consultation stage. This discussion is housing led and all matters regarding employment and gypsy and traveller and travelling show people are set out in their respective topic papers.
- 6.2 Further detail of the process in defining and appraising growth scenarios is set out in the interim SA Report. This process has also been informed by responses to previous consultation stages, the evidence base, sustainability appraisal (SA), habitats regulations assessment (HRA) and ongoing stakeholder engagement.
- 6.3 A range of factors influence the identification of reasonable growth scenarios including the strategic objectives of the Plan, 'strategic factors', and site options. Strategic factors are defined in section 1 of this topic paper. Housing sites submitted through the SHELAA have informed site options that in turn inform identification of reasonable growth scenarios. **Figure 1** presents a summary of this approach:



- 6.4 The 'interim' SA Report gives consideration to 'strategic factors' which inform the definition of reasonable alternative growth scenarios and in turn the establishment of a preferred strategy. This includes consideration of A) development quantum; and B) broad distribution.

Development Quantum

- 6.5 The Government standard method defines Test Valley's Local Housing Need (LHN) as 550 dwellings per annum (dpa) and 11,000 homes in total over the plan period (2020 – 2040). There are currently no strategic factors to justify setting the housing requirement above or below LHN.

Broad Distribution

- 6.6 The interim SA Report sets out a range of high-level factors that influence the distribution of growth, including:

Environmental Factors

- 6.7 Test Valley is not significantly affected by environmental or policy constraints that would affect delivery of the housing requirement (based on the Government's standard method).

Distribution by Housing Market Area

- 6.8 In Test Valley, there is a strong distinction between Andover and the northern part of the Borough, and Romsey and the southern part of the Borough, which has a closer relationship with South Hampshire, in meeting housing needs. The Strategic Housing Market Assessment (SHMA, 2022)⁵ and Housing Market Area Study (HMAs, 2022) also support separate consideration of northern and southern Test Valley. On this basis, the overall borough housing requirement has been split between the northern and southern Test Valley HMAs based on population. The overall housing requirement of 11,000 dwellings is split 6270 dwellings in the north (57%) and 4730 dwellings in the south (43%). The interim SA Report identifies alternative growth scenarios for the northern and southern HMAs respectively.

Settlement Hierarchy

- 6.9 A key issue identified in the 2022 Regulation 18 Stage 1 Local Plan public consultation relates to distributing development in accordance with the settlement hierarchy but with more dispersed growth in comparison to the adopted Local Plan. In this regard it is sustainable to primarily focus growth in the main Tier 1 and 2 settlements in the Borough. In relation to the northern HMA, there is a strong argument for focusing growth in Andover and adjacent to the Wiltshire market town of Ludgershall where there is good access to services, facilities, employment and public transport. Ludgershall, Wiltshire is not in the Test Valley settlement hierarchy but is designated a Tier 2 market town in the Wiltshire Local Plan. In the southern HMA, there is a strong argument for focusing growth in Romsey and Valley Park which comprise the larger settlements with good access to services, facilities, employment and public transport.

The Rural Area

- 6.10 In addition to focussing growth in the larger settlements in Test Valley, the need to support growth in the rural area is also a key issue. The housing requirement can be delivered in the larger sustainable main settlements in the Borough which are well connected to community facilities, infrastructure,

⁵ <https://www.testvalley.gov.uk/planning-and-building/planningpolicy/evidence-base/evidence-base-local-communities>

employment and public transport. However, smaller scale growth is appropriate in the rural area of an appropriate scale to support the sustainability of rural villages and local facilities. Community led development, rural exception sites and Neighbourhood Plans are considered appropriate mechanisms for delivering housing in the rural area.

- 6.11 For the rural area, it will be our communities taking forward locally driven schemes to meet rural community's needs. The Local Plan 2040 will not make allocations to meet this local need. The rural area is considered to be those settlements in settlement hierarchy Tiers 3-4. The spatial strategy seeks to maintain the roles of our rural settlements through accommodating development that meets the need of local communities which this will achieve.
- 6.12 The varying nature of our rural communities means a one size fits all approach is not sustainable. We will pro-actively support and encourage our rural communities to identify and deliver their priorities to enable the right type and level of homes to come forward.
- 6.13 Through the preparation of the Local Plan housing figures will be assigned to designated Neighbourhood Plan areas in accordance with NPPF paragraphs 66 and 67⁶. These figures form part of the rural housing requirement and will be counted towards LHN. Total housing delivery from Neighbourhood Plans over the plan period is uncertain. A conservative assessment of housing potential from neighbourhood plans has been made based on currently active designated neighbourhood plan areas.
- 6.14 A minimum rural housing requirement has been identified in Policy SS4 as 542 dwellings (split 282 dwellings for Southern TV and 260 for Northern TV). The rural housing requirement figure is split between the southern and northern HMAs and comprises the following elements of supply:
- Existing housing supply in the rural area (from completions and outstanding commitments 2020 -2022).
 - The total housing proposed through providing draft housing requirements for active designated neighbourhood plan areas. The Housing Topic Paper (2024) sets out further detail concerning the proposed housing requirement for designated Neighbourhood Plan areas and the methodology for how these figures have been derived.

Assessment of Site Options

- 6.15 The main source of sites for assessment has been the SHELAA and sites submitted for consideration through previous local plan consultation stages. Section 5 of the interim SA Report includes an assessment of the potential site options considered for possible allocation in the Local Plan. Also appended to the SA Report are all the individual sites that have been through SA.

⁶ Further detail of this process is set out in the Housing Topic Paper (2024)

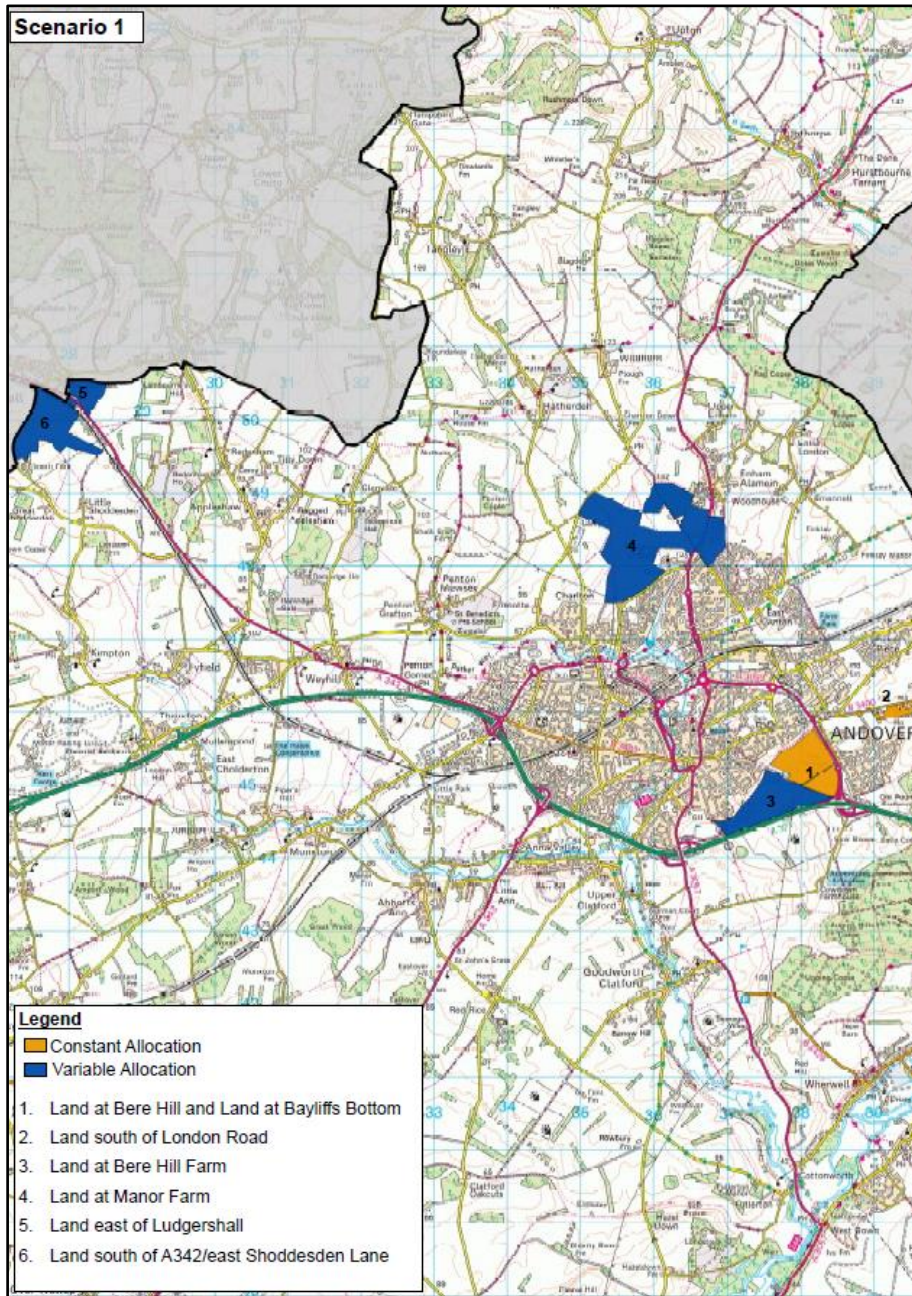
- 6.16 The full site selection process is set out in the Site Selection Topic Paper (2024) and the 'interim' SA Report. The assessment of sites has included stages of technical assessment including site specific SA. The refinement of site options has also been informed by a range of key evidence studies relating to transport, air quality, viability, flood risk, landscape and Habitats Regulation Assessment (HRA) and Appropriate Assessment (AA). Furthermore, extensive engagement has been undertaken with key stakeholders to refine the shortlist of potential allocation sites.
- 6.17 The SA Report then draws upon the preceding two stages of work (A) development quantum; and B) broad distribution factors to give consideration to a range of reasonable alternative growth scenarios for northern and southern Test Valley. The definition of alternative growth scenarios gives consideration to potential ways of allocating site options in combination to deliver the housing requirement and taking account of strategic factors. The following growth scenarios and site combinations were defined and appraised through SA:

Table 2: Northern Test Valley Growth Scenarios⁷

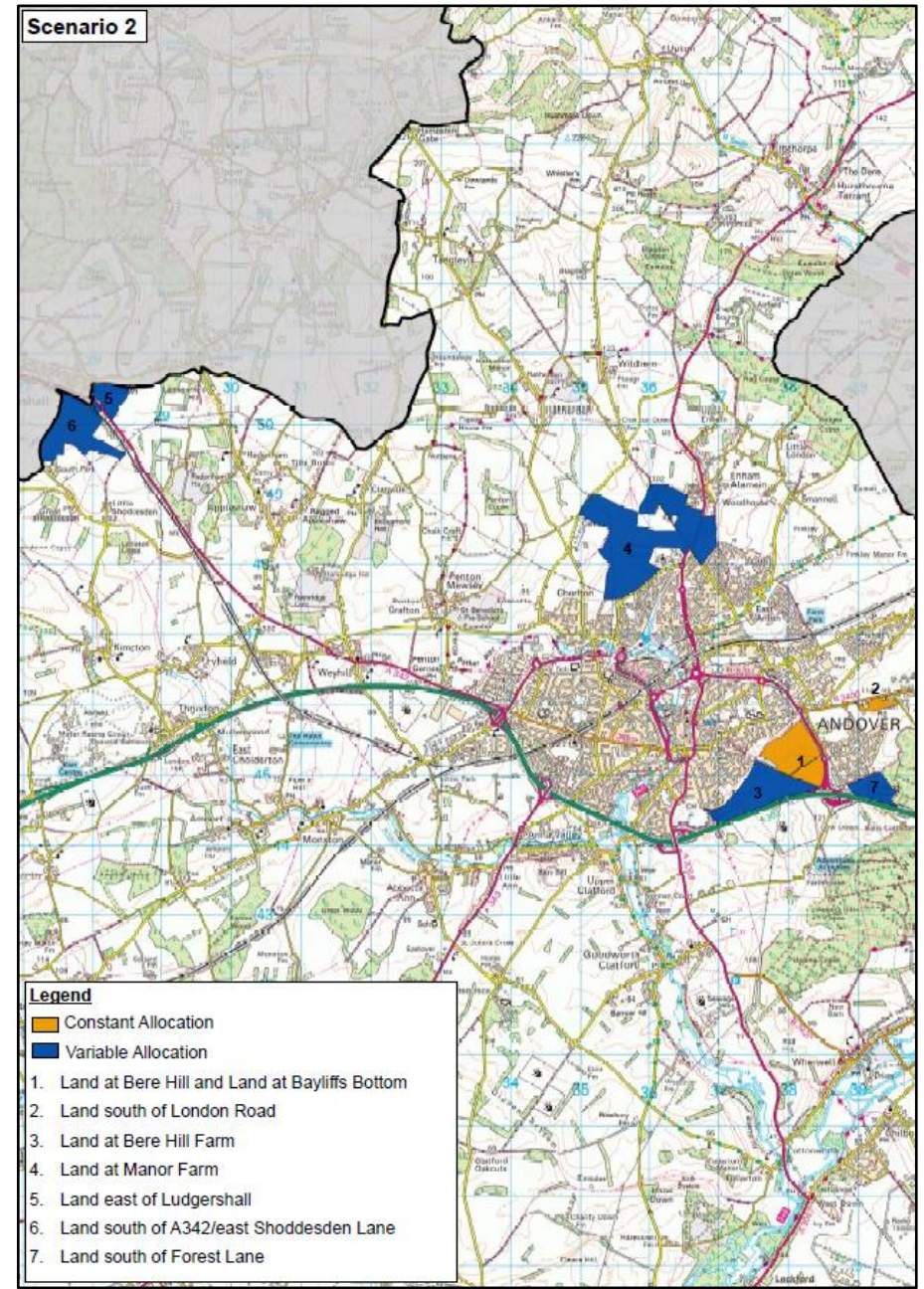
Existing Housing Supply / New Site Options		Reasonable Growth Scenarios			
		Scenario 1 Andover and Ludgershall (1)	Scenario 2 Andover and Ludgershall (2)	Scenario 3 Andover Focus (1)	Scenario 4 Andover Focus Focus (2)
Total Existing Housing Supply		3142	3142	3142	3142
Neighbourhood Plan Supply		40	40	40	40
Constant Site Options	Land at Bere Hill and Land at Bayliffs Bottom, Andover (SHELAA 167,419)	800	800	800	800
	Land South of London Road, Andover (SHELAA – 76, 203, 258, 404, 441)	90	90	90	90
Variable Site Options	Land at Bere Hill Farm, Andover (SHELAA 247)	600	300	600	600
	Land at Finkley Down Farm, Andover (SHELAA 165)	0	0	900	900
	Land South of Forest Lane, Andover (SHELAA 338)	0	150	150	150
	Land East of Ludgershall, Andover (SHELAA 61)	350	350	350	0
	Land South of A342 / East Shoddesden Ln, Ludgershall, Andover (SHELAA 324)	1150	1150	0	0
	Land at Manor Farm, Andover (SHELAA 173)	800	900	800	900
	Penton Corner, Andover (SHELAA 204, 281, 316)	0	0	0	210
Total Homes		6,972	6,922	6,872	6,832
% above / below LHN		10%	9%	9%	8%

⁷ The SA was undertaken based on housing land supply figures from April 2022. These figures will be updated as appropriate for the proposed submission plan at regulation 19. The recent update to housing supply (as of 1st April 2023) do not affect the conclusions of the SA at this stage.

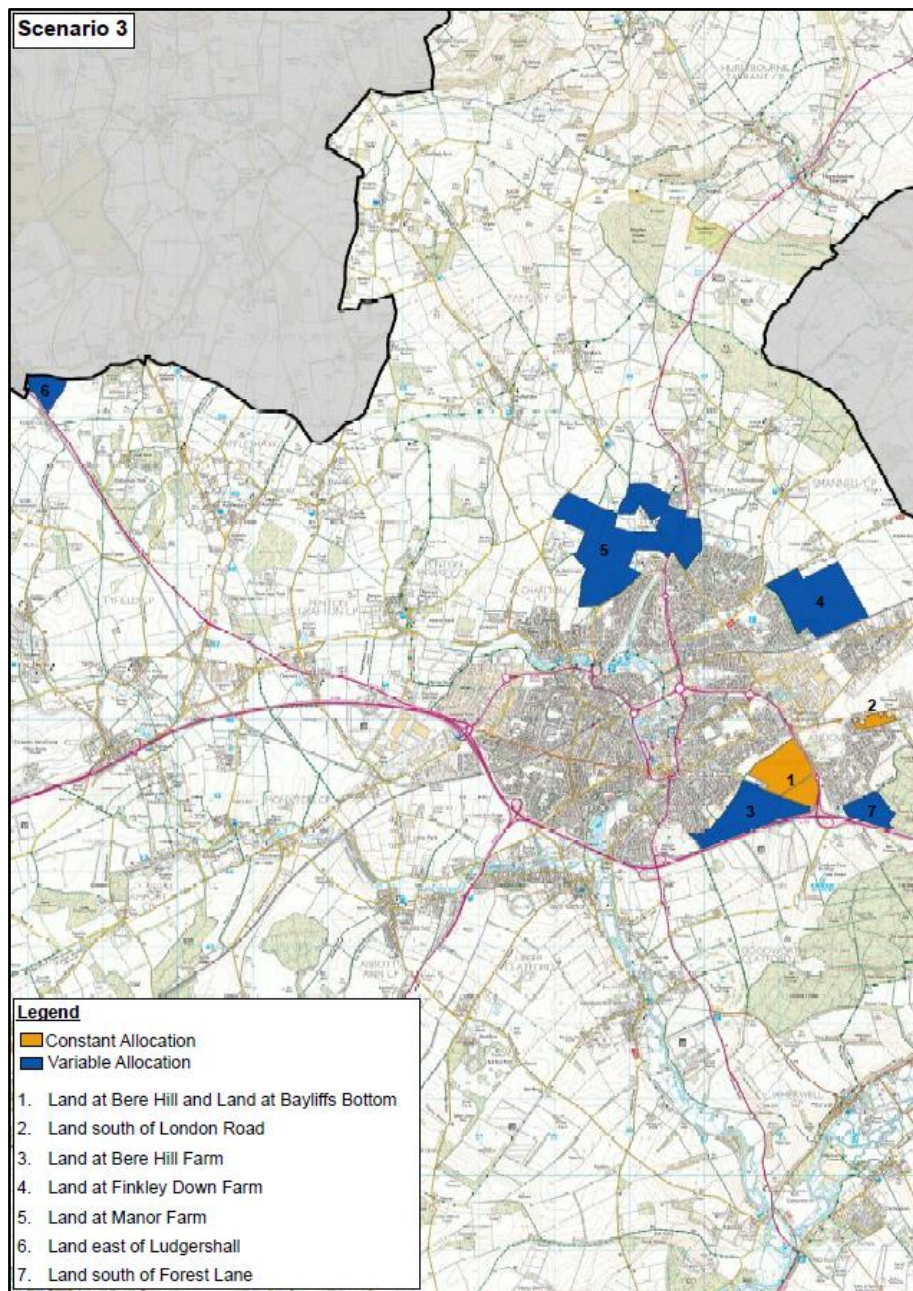
Growth Scenario 1 – North



Growth Scenario 2 – North



Growth Scenario 3 - North



Growth Scenario 4 – North

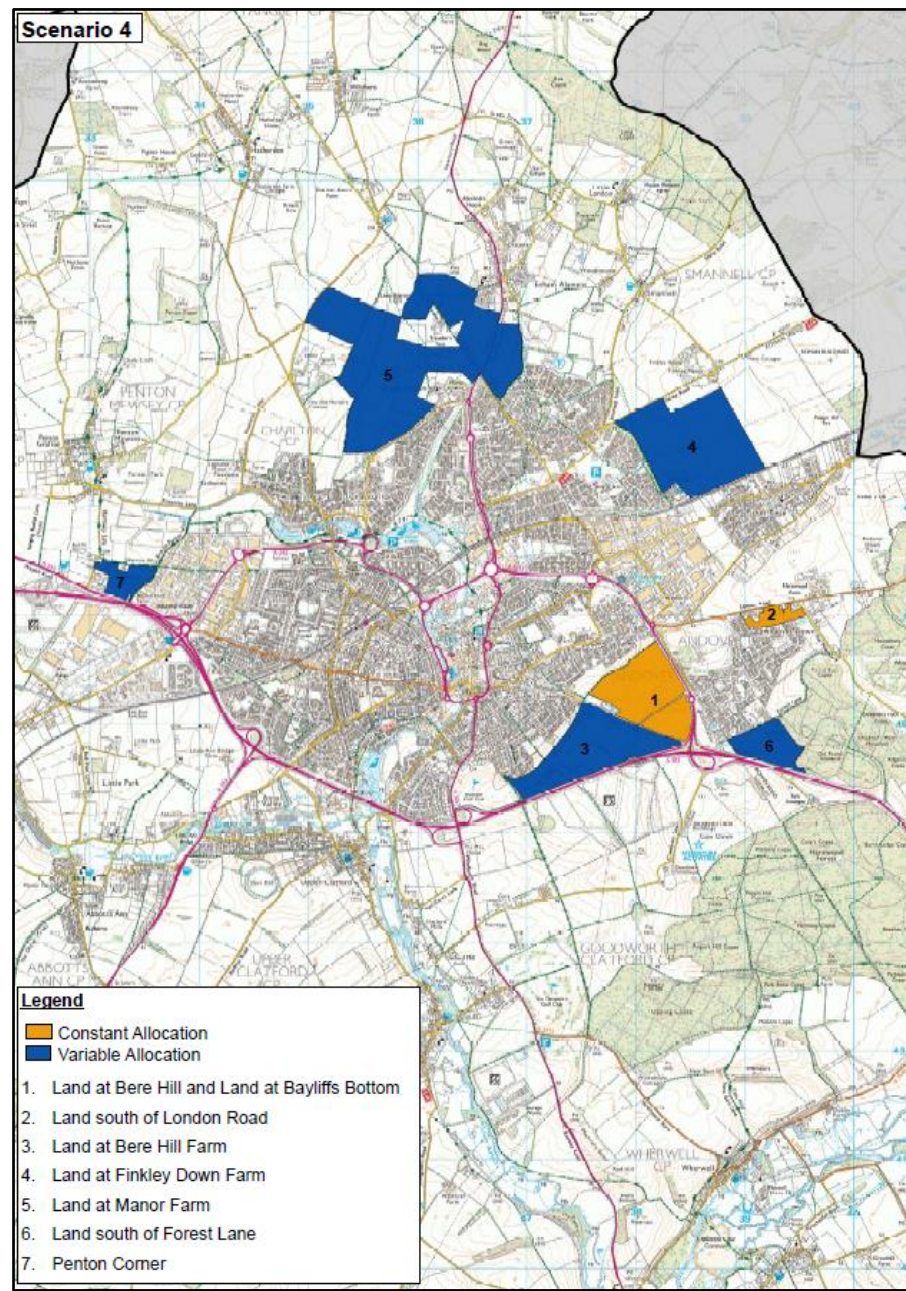
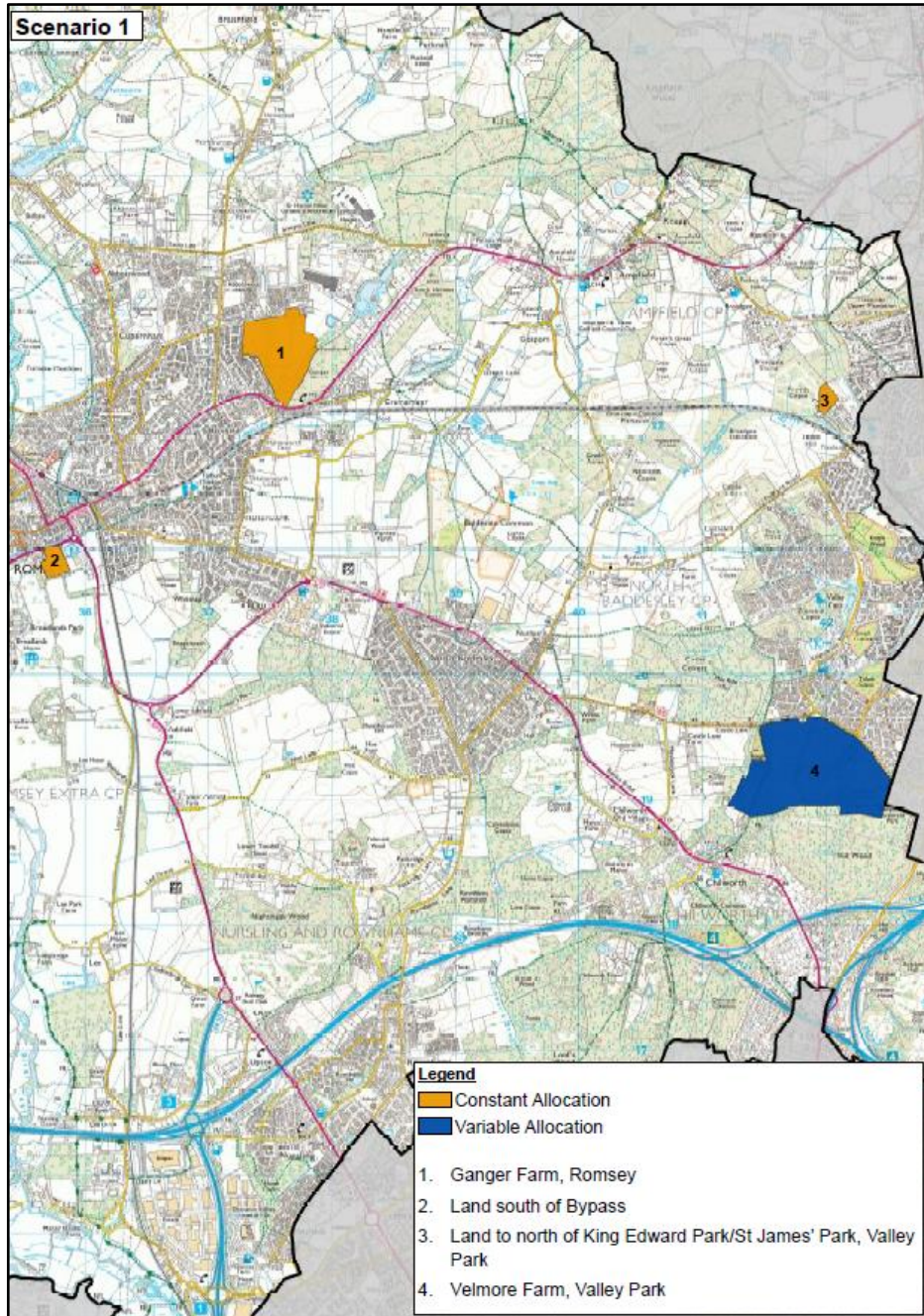


Table 3: Southern Test Valley Growth Scenarios⁸

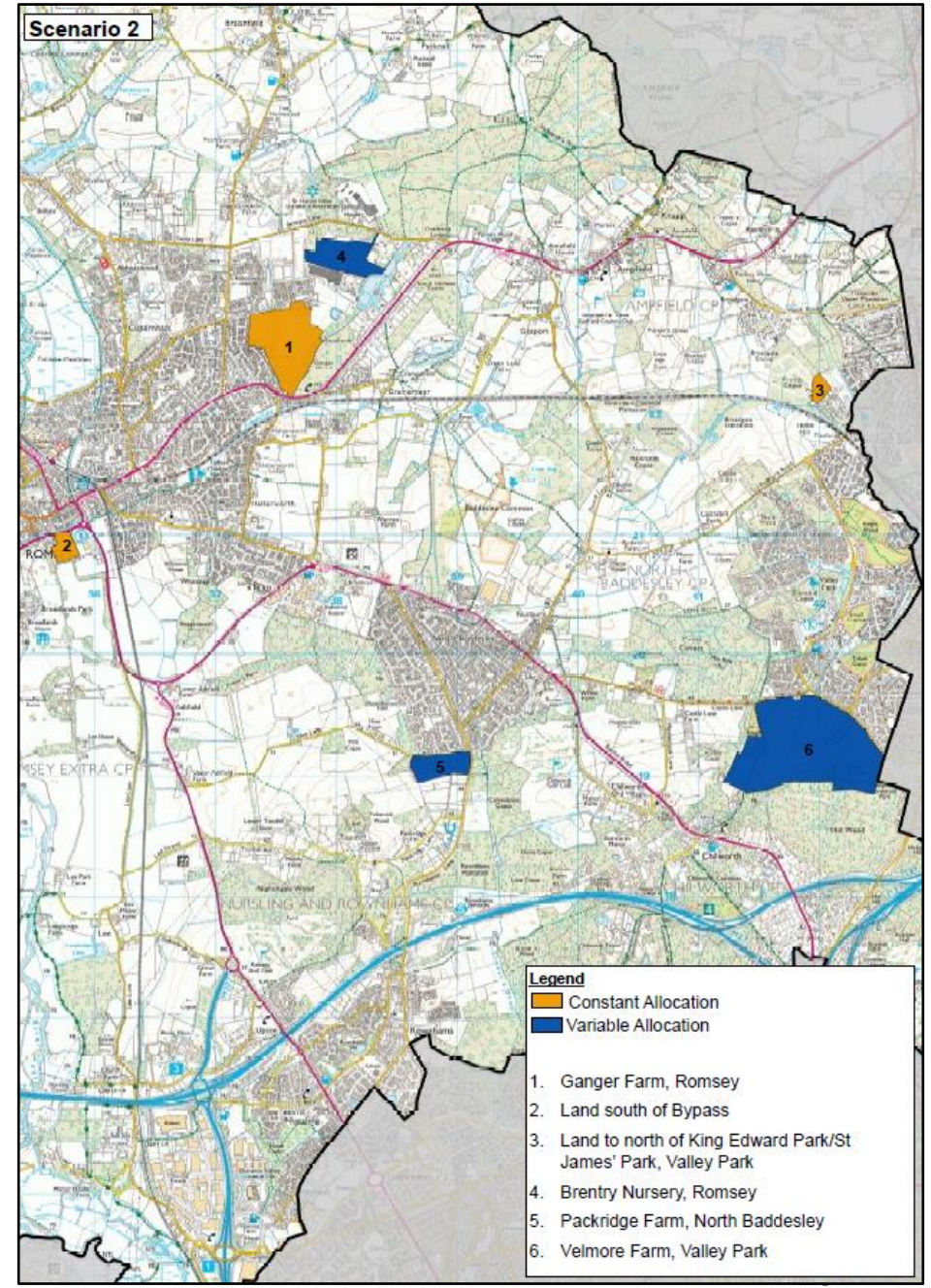
Existing Housing Supply / New Site Options		Reasonable Growth Scenarios			
		Scenario 1 Velmore Farm	Scenario 2 Velmore Farm, Brentry Nursery and Packridge Farm	Scenario 3 Halterworth	Scenario 4 Halterworth. Packridge Farm and Brentry Nursery
Total Existing Housing Supply		3599	3599	3599	3599
Neighbourhood Plan Supply		70	70	70	70
Constant Site Options	Ganger Farm, Romsey (SHELAA 284)	340	340	340	340
	Land to north of King Edward Park /St James' Park, Valley Park (SHELAA 295)	44	44	44	44
	Land South of Bypass, Romsey (SHELAA 154)	110	110	110	110
Variable Site Options	Brentry Nursery, Romsey (SHELAA 344)	0	250	0	250
	Halterworth, Romsey (SHELAA 139, 282, 356, 370)	0	0	1150	1150
	Packridge Farm, North Baddesley (SHELAA 19, 255)	0	150	0	150
	Velmore Farm, Valley Park (SHELAA 82, 285)	1070	1070	0	0
Total Homes		5,233	5,633	5,313	5,713
% above/below LHN		10%	18%	11%	20%

⁸ The SA was undertaken based on housing land supply figures from April 2022. These figures will be updated as appropriate for the proposed submission plan at regulation 19. The recent update to housing supply (as of 1st April 2023) do not affect the conclusions of the SA at this stage.

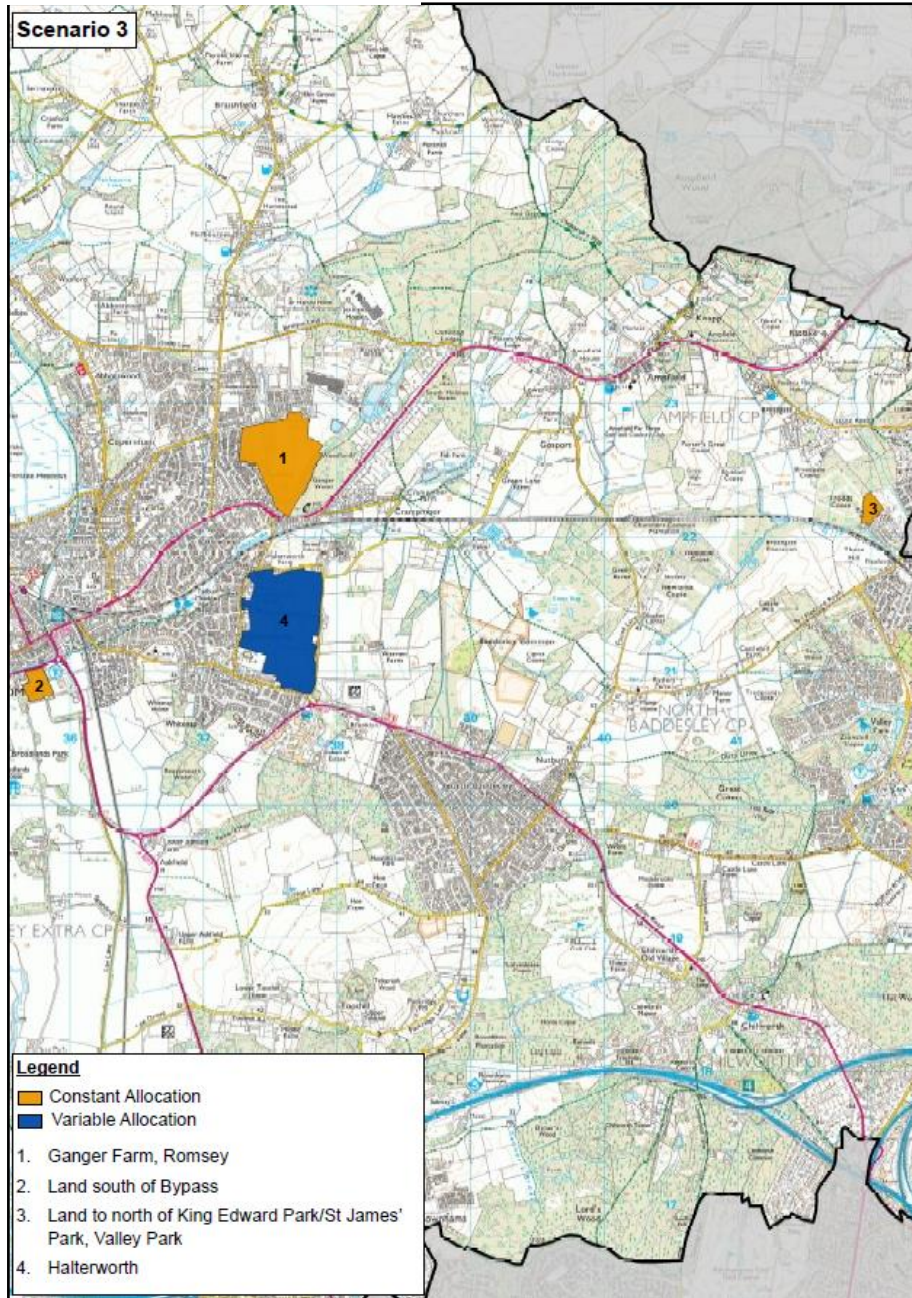
Growth Scenario 1 - South



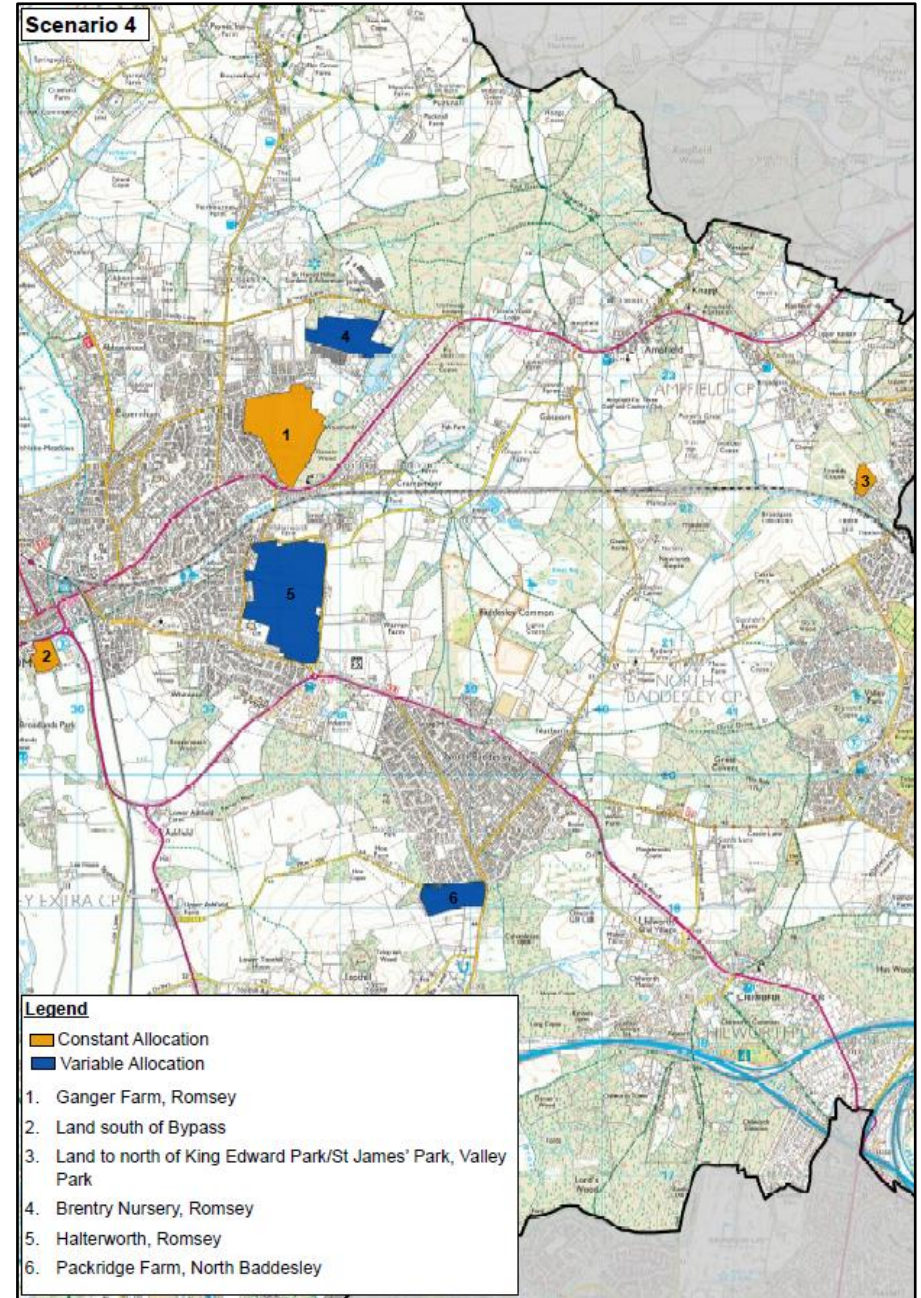
Growth Scenario 2 - South



Growth Scenario 3 - South



Growth Scenario 4 - South



Appraising Growth Scenarios

- 6.16 Section 6 of the SA Report presents the appraisal of the reasonable alternative growth scenarios for northern and southern Test Valley, including within an appraisal matrix. The SA of the reasonable alternative growth options has helped to inform the identification of the preferred strategy for northern and southern Test Valley.

7 The Preferred Spatial Strategy

Northern Test Valley

- 7.1 The **Preferred** growth scenario for northern Test Valley is **Scenario 1**. The SA shows that Scenario 1 (Andover and Ludgershall 1) performs well in relation to the SA topics, and in comparison to the reasonable alternative growth scenarios. Scenario 1 also performs well in terms of housing delivery and providing for LHN.
- 7.3 Scenario 1 performs well in terms of transport impact and with a similar impact to Scenario 2. Scenario 1 performs best in terms of landscape impact. In terms of accessibility to community infrastructure and health, Scenario 1 performs marginally less well than scenarios 3 and 4 which have a greater Andover focus. However, growth adjacent to the market town of Ludgershall has a good accessibility to a range of infrastructure and facilities and this location is also a focus for growth in the emerging Wiltshire Local Plan.

Southern Test Valley

- 7.5 The **Preferred** growth scenario for southern Test Valley is **Scenario 1**. The SA shows that Scenario 1 (Velmore Farm) performs well in relation to the SA topics, and in comparison to the reasonable alternative growth scenarios.
- 7.6 Scenarios 1 and 3 would provide for LHN. Scenarios 2 and 4 would provide above LHN, however there is currently no justification to provide this level of housing. If unmet housing need is identified during preparation of the plan there may be a need to reconsider further growth scenarios for the southern HMA.
- 7.7 Scenario 1 is also preferable as it provides a more balanced distribution development between the main settlements in the south and could place less pressure on the infrastructure capacity of Romsey.
- 7.8 Scenario 1 also provides an opportunity to deliver employment with scope for commercial development on the Velmore Farm site.
- 7.9 In Scenario 1, Velmore Farm has some landscape sensitivities, but these can be addressed in terms of appropriate site layout, design and landscaping.

- 7.10 Scenario 1 performs slightly better than scenario 3 in terms of accessibility to community facilities and infrastructure. Scenarios 2 and 4 (with the inclusion of Brentry Nursery and Packridge Farm) perform less well in terms of accessibility to community infrastructure.
- 7.11 Brentry Nursery and Packridge Farm also relate less well to the settlement edges of Romsey and North Baddesley respectively. Scenarios 2 and 4 include housing above LHN which would have a greater impact on the transport network.

Appraisal of the Proposed Preferred Strategy

- 7.12 Part 2 of the Interim SA Report provides an appraisal of the draft local plan as a whole. This includes a summary of the appraisal for the preferred growth strategies for the north and south of Test Valley.

8 Next Steps

- 8.1 Following this consultation, the Council will consider representations on the Local Plan including the proposed spatial strategy, which will inform preparation of the Regulation 19 Local Plan.
- 8.2 Also, following this current consultation, further evidence will be prepared where required to inform the next stage of the plan including a range of further technical evidence.
- 8.3 In relation to the proposed strategic allocations further engagement will be undertaken with site promoters regarding further technical assessments and including master planning. Ongoing engagement with neighbouring authorities (including PfSH) and statutory consultees will also be undertaken.
- 8.4 Alongside the next stage of the local plan (Submission version) a formal SA Report will be published with the intention of submitting for Examination alongside representations received. At Examination, the Inspector will then consider representations before concluding on necessary modifications.