Housing Implementation Strategy

As at 1 April 2024

JANUARY 2025



1 Introduction

- 1.1 This Housing Implementation Strategy has been prepared to set out the Council's approach to managing the delivery of new housing within the Borough. It focuses on the five year housing land supply position for 1 April 2024 to 31 March 2029. The Housing Land Supply for Test Valley Borough for this period is **2.76 years**.
- 1.2 This document should be read in the context of the adopted Local Plan and current national policy and guidance. A review of the housing land supply position has been undertaken following the publication of an updated National Planning Policy Framework (NPPF) (December 2024)¹ and Planning Practice Guidance (PPG)².
- 1.3 The latest NPPF, and revised standard method for calculating local housing need, has significantly impacted our approach to calculating housing land supply (HLS) in Test Valley and within this Strategy. Like many Councils across England, the publication of the NPPF and revised housing need calculation for the Borough (using the updated standard method) has resulted in a very substantial increase in housing need. This Report is based on a local housing need of 934 additional dwellings per annum for the Borough as a whole.

2 Background

- 2.1 Paragraph 78 of the NPPF establishes that local planning authorities should monitor their deliverable land supply, at least annually. It requires that Councils identify and update annually a rolling supply of specific deliverable sites sufficient to provide a minimum of five years' worth of housing, measured against the housing requirement set out in their adopted strategic local plan policies, or where strategic policies are more than five years old, against their local housing need (calculated using the standard method)³.
- 2.2 This document sets out the Council's methodology for calculating the 5 year housing land supply position (or 5YHLS) as well as updating records on the supply of housing. It has been prepared taking into account current national policy (through the NPPF), guidance and relevant appeal decisions.
- 2.3 The Council publishes its Authority's Monitoring Report (AMR) on an annual basis and this provides information on housing completions. It also includes information on the delivery of affordable housing.
- 2.4 A full review of the housing land supply position is undertaken annually to align with the financial year monitoring period (i.e. as at 1 April). The Council may consider whether to prepare additional interim updates in the course of the year, subject to specific circumstances at the time.

¹Available: https://www.gov.uk/government/publications/national-planning-policy-framework-2

² Available: https://www.gov.uk/government/collections/planning-practice-guidance

³ Unless strategic policies have been reviewed and found not to require updating (see footnote 39 in NPPF). Where local housing need is used as the basis for assessing whether a five year supply of specific deliverable sites exists, it should be calculated using the standard method set out in national planning practice guidance.

3 Housing Requirement for the Plan Period

- 3.1 Until the publication of an updated NPPF in December 2024, the adopted Test Valley Borough Local Plan (2016)⁴ has previously established the housing requirement for the purposes of calculating our 5YHLS position. This is reflected in previous monitoring reports and annual Housing Implementation Strategy. Our adopted local plan is over 5 years old. It was therefore subject to a review on its five year anniversary, in January 2021, in accordance with Regulation 10A The Town and Country Planning (Local Planning) (England) Regulations 2012 (as amended)⁵. The purpose of the 5 year review was to ensure that the plan and its policies remain effective and to identify any areas which need to be reviewed. The assessment at that time concluded that the spatial strategy remained sound with the plan policies remaining up to date, such that it continued to provide a robust basis for decision making and determination of planning applications.
- 3.2 However, with the recent publication of the NPPF, in December 2024, and introduction of a substantial uplift in identified local housing need, we need to consider whether our adopted housing requirement remains up to date. The requirement in the adopted plan (588 dwellings per year) is now far lower than the current housing need calculation (934 dwellings per year). By contrast, in previous years, the local plan requirement was aligned with the housing need figure (being both above and close to the published annual housing need (standard method) figure for the Borough). For these reasons, the Local Plan requirement (which is also over 5 years old) is not considered up to date, for assessing the latest HLS position. The calculations in this report are therefore set against the new housing need figure (of 934 homes per year) with an appropriate buffer applied, as described in section 4 below.
- 3.3 The adopted Local Plan set out that there are two distinct housing market areas (or HMA) in the Borough, which are known as Southern Test Valley⁶ and Northern Test Valley⁷ with Southern Test Valley forming part of the wider Southampton Housing Market Area. Historically, the Housing Implementation Strategy has presented HLS data split by HMA, as set out in the adopted local plan. This also reflects evidence in the Strategic Housing Market Assessment (2022)⁸.
- 3.4 This year, the HLS calculation is presented as a single Boroughwide figure for the whole of Test Valley's administrative area, as required by the NPPF (at para 69). The split approach to monitoring (by Northern and Southern HMA) is no longer compliant with the updated NPPF, which requires supply to be identified and updated annually against the strategic requirement (Para.78). This report still provides split HMA data for information and comparison within the Appendix (Tables A to C). However, the split data will not be reported to MHCLG or used for development management purposes. How the draft local plan takes this matter forward will be considered as part of the plan preparation process.

⁴ https://www.testvalley.gov.uk/planning-services/planningpolicy/local-development-framework/dpd

⁵ Available: https://www.testvalley.gov.uk/planning-services/planningpolicy/local-development-framework/dpd

⁶ Comprises the Parishes of Ampfield, Chilworth, North Baddesley, Nursling and Rownhams, Romsey Extra, Romsey Town and Valley Park.

⁷ Comprises the remaining parishes within the Borough, outside of those within Southern Test Valley and outside the New Forest National Park.

 $^{{}^{8}\,\}underline{\text{https://www.testvalley.gov.uk/housingandenvironmentalhealth/housing/housing-development/housing-policy-amp-research}\\$

4 Components and Delivery of the Housing Land Supply

- 4.1 The NPPF sets out that local planning authorities should identify a supply of specific deliverable sites. Guidance is provided on the methodology for this within National guidance in the latest PPG (e.g. paragraph ID: 68-004-20241212). The 5YHLS provides a calculation of whether there is a deliverable supply of homes to meet the planned housing requirement (or, in some circumstances, local housing need) over the next 5 year period.
- 4.2 The housing supply position used for this calculation must include an 'appropriate buffer', informed by recent housing delivery data. The minimum buffer required by the NPPF is 5%.

The Housing Delivery Test

4.3 The Housing Delivery Test (HDT) provides comparative data on housing delivery across the country and comprises a retrospective assessment of housing delivery, or completions over the preceding 3 years, measured against the local housing requirement. The HDT data is published nationally, by MHCLG, for each local authority area⁹. Table 1 sets out the net annual delivery of homes within Test Valley, from 2011/12 to 2023/24.

Table 1: Housing Completions within the Borough since 2011/12

Year	Total Housing Completions in Test Valley Borough
2011/12	523
2012/13	670
2013/14	542
2014/15	880
2015/16	1,004
2016/17	891
2017/18	793
2018/19	809
2019/20	948
2020/21	878
2021/22	854
2022/23	396
2023/24	274
Total	9,188

4.4 HDT data is used to establish the appropriate buffer in the supply calculation, as required by the NPPF (paras 78-79). The implications for 5YHLS apply from the day following the publication of the HDT measurement (para 80). The latest published HDT measurement for Test Valley Borough is 144%, for the period 2021/22 – 2022/23.

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⁹ https://www.gov.uk/government/publications/housing-delivery-test-2023-measurement

- 4.5 Where a three year period of under delivery is identified (below 85% demonstrated through the latest HDT data), a 20% buffer would be appropriate for measuring housing land supply. This higher buffer does not apply to Test Valley Borough, because our HDT delivery exceeds 85%. The housing land supply buffer is therefore set at 5% in the calculation below.
- 4.6 The Local Plan sets out that the housing requirement will be delivered across the plan period (2011 to 2029), through housing completions (including use class C3 and use class C2 self-contained units) which comprise the private household population, existing commitments (e.g. sites with planning permission), identified capacity sites, windfall (unplanned) sites and allocations in both the Local Plan and made Neighbourhood Plans. Each of these sources of supply is considered in turn below, in section 5.
- 4.7 The NPPF glossary (at page 72) advises that for a site to be considered deliverable for housing land supply purposes, it should be available now, offer a suitable location for development, and be achievable with a realistic prospect that housing will be delivered on the site within five years. It advises that there should be clear evidence that housing completions will begin on site within the five year period. The PPG also provides further guidance (e.g. paragraph ID: 68-007-20190722).
- 5 Five Year Housing Land Supply 2024-29.

Base Requirement for the Five Year Period

- 5.1 The housing land supply position should be considered in comparison to the local planning authority's housing requirement or local housing need.
- 5.2 As set out in Table 2, the local housing need figure for Test Valley is derived from the standard method calculation, resulting in a minimum target of 934 dwellings per annum. This equates to 4,670 dwellings over the 5 year period from 1 April 2024 to 31 March 2029.
- 5.3 The base requirement for the five year period is therefore 934 dwellings x 5 years = 4,670 dwellings, plus a 5% buffer (234 dwellings), giving a total requirement of **4,904**.
 - Supply of Specific Deliverable Sites
- 5.4 The NPPF (paragraph 69) sets out that the supply should be of "specific deliverable sites" with the glossary providing a definition of the term deliverable and PPG provides further guidance on this matter (e.g. paragraph ID: 68-007-20190722).
- 5.5 The approach taken is to include sites with permission, or a resolution to grant permission (referred to as existing commitments), allocations within the adopted plan and made neighbourhood plans and sites on the Council's brownfield register, and a windfall allowance in the supply of sites where it is considered that they align with the definition of deliverable within national policy and guidance.

Existing Commitments

5.6 The existing commitments category in the HLS is primarily made up of sites that have planning permission, or a resolution to grant permission, but can include schemes

arising through prior approval processes (e.g. where conversion of an agricultural building to residential use does not require prior approval). Existing commitments for sites providing a net gain of 5 or more dwellings are factored into the housing supply taking account of advice from the agent / developer for the site, including the level of development anticipated and phasing. In some cases, alternative figures may be used, e.g. where previous delivery suggests that the proposed phasing is unlikely, or there has not been a response for phasing information from a developer. Other sources of information are used in this instance including phasing information produced by Hampshire County Council, which is also checked by the Council's Housing Team as relevant, who are in contact with affordable housing providers.

- 5.7 Table A in the Appendix sets out the sites contributing to this part of the supply assessment and the anticipated delivery programme over the five year period. For monitoring purposes, the existing commitments are split into two categories; sites that propose to provide for a net gain of 5 dwellings or more, and schemes for permission that fall below this threshold. For the smaller sites (under 5 dwellings), rather than site by site monitoring of phasing for these schemes, the Council applies a 10% discount to the outstanding net gain in dwellings, to take account of a potential level of uncertainty regarding the exact number of permissions that will be implemented. This approach is considered to provide the appropriate level of confidence and degree of flexibility in the figures. However, annual site visits are also undertaken to determine whether these developments have been completed and to ensure they contribute to completions.
- 5.8 For reference, the commitments data is for all permanent net additional dwellings. In addition, care home bedrooms (Use Class C2) are included in supply in this report, and a ratio of 1:1.88 has been applied to represent household numbers, in line with the HDT calculation (see Appendix, Table D). This is based on 2021 Census data, which shows a ratio of 1:1.88 for adults in households to bedrooms across care home and communal accommodation in Test Valley Borough. In previous years, we have not included non-self contained use class C2 accommodation in the reporting of our housing land supply. This is because these use class C2 specialist communal provisions were outside the scope of the housing requirement that is set in the adopted local plan.

Allocations

- 5.9 The Council has adopted local plan housing allocations within the Borough, to aid in meeting the housing requirement. Details of the allocations are set out within the adopted Local Plan and are not duplicated as part of this document. Where made neighbourhood plans within the Borough have allocated sites for housing, the details of these allocations have also been included within the housing land supply if it is considered they are likely to come forward within the 5 year period. The housing allocations supply data is set out in Table B (Appendix).
- 5.10 The allowance for allocations within the Local Plan and made neighbourhood plans reflects the proportion of sites projected to come forward within the five year period. This takes account of input from the site promoters / developers, and also takes into consideration those sites yet to receive detailed permission.

Identified Capacity

- 5.11 Identified capacity relates to sites on the Council's brownfield registers and other promoted sites that would clearly be considered acceptable in terms of the principle of residential development¹⁰. Identified capacity sites are included where they are capable of delivering 5 or more dwellings (net gain) within the 5 year period. Information from developers or site promoters has also informed this data.
- 5.12 The Council's brownfield register¹¹ identifies previously developed land that is available and suitable for residential development in accordance with the policies of the adopted Local Plan and NPPF. Sites are only included where there is clear evidence to suggest they are likely to be brought forward within the 5 year period. For this update, eight sites with identified capacity are set out as likely to come forward within the five year period. More detail on the identified capacity sites, and the likely scale of development, is provided in the Appendix (at Table C).

Windfall

- 5.13 Paragraph 72 of the NPPF recognises that an allowance for windfall sites can be made assuming that evidence is available to demonstrate this is likely to be a reliable source of supply. The glossary of the NPPF provides a definition of windfall sites.
- 5.14 In reviewing the scale of windfall allowance, the Council has focused on sites that fall below a net gain of 5 dwellings; this is to avoid potential double counting of sites that might otherwise be classified as identified capacity. It is recognised that larger windfall sites may come forward that are not promoted through the SHELAA these usually become part of the supply at the point they gained planning permission or have a resolution for permission.
- 5.15 The allowance is based on observed trends and analysis of whether such trends are likely to continue in the future. The Borough has historically benefitted from a supply of windfall sites, often from redevelopment within the settlement boundaries established within the adopted Local Plan or through the reuse of buildings in rural areas. Historic completions have been used to inform the scale of allowance incorporated into the housing supply. The Council reviewed the scale of windfall completions between 2006/07 and 2012/13, which indicated an average of 51 additional dwellings per annum Boroughwide. This was reviewed through the Examination in Public of the Local Plan and the annual windfall figures were supported by the Examining Inspector.
- 5.16 A windfall allowance is included within the housing supply calculation for years 2 to 5 of the five year period only (ie. 51 x 4 years). No allowance for completions from windfall sites is included within year 1, reflecting that such sites are likely to have planning permission and therefore already be included as existing commitments. The windfall allowance is separate to the stock of total permissions of less than 5 dwellings, with a 10% discount.

¹⁰ such as a site within a settlement boundary with planning history for residential development.

¹¹ https://www.testvalley.gov.uk/planning-services/planningpolicy/evidence-base/brownfield-register

5.17 Table 2 provides a summary of the supply of housing from the sources set out above for Test Valley Borough, at 1 April 2024. More information on existing commitments, allocations, and identified capacity sites is provided in the Appendix.

Table 2: Summary of Housing Supply for Five Year Period

Source	Supply (net dwellings)
Existing Commitments – Sites providing 5+ dwellings	1,095
Existing Commitments – Sites providing less than 5 dwellings (including 10% deduction)	227
Allocations	617
Identified Capacity	406
Windfall Allowance	204
Use Class C2 communal care home accommodation (commitments and identified capacity)*	162
Total	2,711

^{*} Ratio applied of 1.88:1 bedrooms to dwellings – using ratio derived from 2021 census (see also Table D, Appendix)

Calculation of Housing Land Supply Position

5.18 Table 3 draws together the information set out above to provide the calculation of the housing land supply position for Test Valley Borough. The target figure, in order to be able to demonstrate five years housing land supply, would be 5.00 years. The calculation to derive this figure is total supply ÷ annualised total requirement.

Table 3: Housing Land Supply Position as at 1 April 2024

Comp	onent of Calculation	No. of Dwellings	Notes
a)	Annualised requirement for the five year period	934	standard method
b)	Requirement for five year period	4,670	a) x 5
c)	Buffer (at 5%)	234	b) x 5%
d)	Total requirement for the five year period including 5% buffer	4,904	b) + c)
e)	Annualised total requirement (to the nearest whole dwelling)	981	d) ÷ 5
f)	Total housing supply	2,711	Sum of Table 2
g)	Years of housing supply	2.76	f) ÷ e)

6 Conclusion

- 6.1 This Strategy has focused on setting out the sources of housing supply that will aid the delivery of housing in Test Valley Borough and provides the background to the assessment of housing land supply.
- 6.2 Based on the data available and the methodology set out above, the Strategy identifies sites capable of delivering 2,711 new homes within the next 5 year period (April 2024 to March 2029) on a Borough-wide basis, set against a 5 year housing requirement of 4,904 homes (including a 5% buffer). This equates to a **2.76 years supply** of deliverable sites. This is below the NPPF target of 5.00 years. The shortfall identified is therefore 2,193 homes, over the 5 year period. It is anticipated that this position will be reviewed as and when appropriate.

Appendix: Five Year Housing Land Supply – Supply Assumptions for Test Valley

Table A: Existing Commitments

Site	Application Number ¹²	Net Dwellings Permitted	Net Dwellings Remaining (at 1 April 2024)	2024/25	2025/26	2026/27	2027/28	2028/29	Total Completions Expected 2024/25 to 2028/29	Dwellings Under Construction (at 1 April 2024) ¹³	Net Dwellings Remaining post five year period ¹⁴
6 & 6A Bridge Street, Andover	22/01422/FULLN	5	5		5				5		
Church Farm, The Coach Road, West Tytherley	16/01607/FULLS	13	13		7	6			13	1	
Ro-Dor, Stevens Drove, Houghton	22/00217/OUTS	6	6		6				6		
Former Anton Laundry Andover	14/00245/FULLN	28	28				28		28		
Crown Buildings, 6 - 8 London Street, Andover (2 sites)	20/01791/PDON 22/00772/PDMAN	46	46	38	8				46		
Fox Farm Estate, Georgia Lane, Amport	24/00225/PDQN	5	5			5			5		
Land west of Finkley Farm	22/01992/FULLN	102	102	32	70				102	24	
Land at Staff Lane, Staff Road, Michelmersh	21/03658/PDQS	5	5		5				5		
Enham Place, Newbury Road, Enham Alamein	15/00296/OUTN	81	81				21	60	81		
Maintenance Office, Kings Road, Enham Alamein	21/01996/OUTN	5	5					5	5		

¹² Where application comprises of outline and reserved matters, only the outline application number is provided in this table.

¹³ Based on available information

¹⁴ Only relates to sites which are contributing to the five year housing land supply, not all sites.

Agricultural Building, North of Malthouse Lane	22/00780/PDQN	5	5			5			5		
Mountwood Nursing Home, Andover	22/03061/FULLN	8	9	9					9	9	
Land South East of The Wayne, Grange Close, Fyfield	22/01070/PDQN	5	5		5				5		
Harewood Farm, London Road, Andover Down	17/03153/OUTN	180	180		60		50	70	180		
20 Aldwych House Winchester Street	22/01697/PDMAN	12	12			12			12		
Combination of sites providing a net gain of less than 5 dwellings (with 10% deduction)	Various	203	183			183			183		
Subtotal for North Test Valley		709	690	115	202	65	136	172	690	34	
Land east of Rownhams Lane, Rownhams	14/00726/OUTS	317	56	30	26				56	36	
Land south of Wren's Corner, Cupernham Lane, Romsey	15/00679/OUTS	16	16		8	8			16		
Land West of Cupernham Lane, Belbins, Romsey	17/00915/OUTS	5	5		5				5		
Holly Lodge, Chilworth Road, Chilworth	21/00718/FULLS	9	8	8					8	8	
Abbotswood House, Braishfield Road, Romsey	20/00599/FULLS	63	63	50	13				63	58	
Emer Farm, Green Lane, Ampfield	20/00935/PDQS	5	5			5			5		
Romsey Brewery	TVS.00515/43	211	198			39	30	29	98		100

BOROUGHWID	DE TOTAL ¹⁵	1721	1422	295	370	205	237	215	1322	217	100
Subtotal for South Test Valley		1012	732	180	168	140	101	43	632	183	100
oroviding a net gain of ess than 5 dwellings (with 10% deduction)						ı	ı				
Combination of sites		49	44			44			44		
Golden Hill, Belbins, Romsey	22/00362/FULLS	9	8		8				8	8	
Lynton, Crawley Hill, Wellow	23/03261/VARS	6	6					6	6		
Oxlease House, Cupernham Lane	21/02635/FULLS	34	35	18	17				35	22	
Grove Place, Upton Lane	21/03748/FULLS	20	20			20			20		
109A Winchester Road, Romsey	22/02176/FULLS	8	8	8					8	3	
Land at Park Farm - North Stoneham Park, Stoneham Lane	19/02811/FULLS	82	82		82				82		
Former North Hill Sawmill Yard, Baddesley Road, Flexford, North Baddesley	17/01615/OUTS	149	149	57		30	62		149	48	
Ashfield Sawmill, Southampton Road, Ashfield Romsey	18/01680/OUTS	29	29			29			29		

¹⁵ Note the year by year totals do not include an allowance for the combined sites providing a net gain of less than 5 dwellings.

Table B: Supply from Allocations

Site	Policy Reference	Net Dwellings Proposed	Net Dwellings Remaining (at 1 April 2024)	2024/25	2025/26	2026/27	2027/28	2028/29	Total Completions Expected 2024/25 to 2028/29	Dwellings Under Construction (at 1 April 2024) ¹⁶	Net Dwellings Remaining post five year period ¹⁷
Picket Piece Extension, Andover	COM6	400 ¹⁸	108		5	28	32	26	91	1	17
Land north of Peake Way, Charlton	CHA1 (Charlton NP)	50	50					50	50		
Land east of Furzedown Road, King's Somborne	(KS NP ALL3) 22/01359/OUTS	18	18		6	12			18		
Land at Spencers Farm	(KS NP ALL1)	14	14					14	14		
Land at George Yard/Black Swan Yard	LE14	50	50					50	50		
Subtotal North Test Valle	Py	532	240	0	11	40	32	140	223	1	
Land at Whitenap, Romsey	COM3	1,230	1,230					75	75		1,205
Land at Hoe Lane, North Baddesley	COM4 (16/02432/OUTS)	300	300	89	123	72	16		300	98	
Land Adj Meadow Close, Wellow	WP2 (Wellow NP)	10	10					10	10		
Land at Rowden Close, Wellow	WP1 (Wellow NP)	9	9			9			9		
Subtotal South Test Valle	ЭУ	1,549	1,549	89	123	81	16	85	394	98	
BOROUGHWIDE TOTAL	L	2,081	1,789	89	134	121	48	225	617	99	1,222

Based on available information
 Only relates to sites which are contributing to the five year housing land supply, not all sites.
 This would relate to multiple planning applications and includes those dwellings within the allocation that have already been completed.

Table C: Supply from Identified Capacity

Site	Policy Reference	Net Dwellings Proposed	Net Dwellings Remaining (at 1 April 2024)	2024/25	2025/26	2026/27	2027/28	2028/29	Total Completions Expected 2024/25 to 2028/29	Net Dwellings Remaining post five year period ¹⁹
Valley View Business Park, Walworth Road, Picket Piece	TVBC Brownfield Register (24/00194/OUTN)	32	32					32	32	
Land at Harewood Egg Farm, Picket Twenty, Andover	SHELAA 443, historic allocation, outline permission (expired), within settlement boundary	103	103				50	53	103	
Former Lloyds Bank Site (Charlton Place), Andover	TVBC Brownfield Register	138	138			38	50	50	138	
Alan Child House, Andover	TVBC Brownfield Register (23/02067/FULLN)	54	54			54			54	
Bilbao Court, Andover	TVBC Brownfield Register (23/02785/FULLN)	9	9			9			9	
Subtotal North Test Val		336	336	0	0	101	100	135	336	
South of Romsey Town Centre	TVBC Brownfield Register	30	30				10	20	30	
Edwina Mountbatten House, Romsey	TVBC Brownfield Register (23/01700/FULLS)	40	40			40			40	
Subtotal South Test Va		70	70			40	10	20	70	
BOROUGHWIDE TOTA	AL	406	406			141	110	155	406	

¹⁹ Only relates to sites which are contributing to the five year housing land supply, not all sites.

Table D: Supply from care homes/specialist communal provision – C2 use class

Site	Policy Reference	Net Dwellings Proposed	Net Dwellings Remaining (at 1 April 2024)*	2024/25	2025/26	2026/27	2027/28	2028/29	Total Completions Expected 2024/25 to 2028/29	Net Dwellings Remaining post five year period ²⁰
Babbage House, Andover	Brownfield Site Identified Capacity (24/00366/FULLN)	72 bedroom care home	38	n/a			38			
Harrison Way, Rownhams	22/01761/FULLS	66 bedroom care home	35	n/a					35	
Grove Place, Upton Lane, Nursling	21/03748/FULLS	30 bedroom nursing and dementia care home	16	n/a				16		
Bargain Farm, Frogmore Lane, Nursling	18/03235/FULLS	137 bedroom care home	73	n/a				73		
BOROUGHWIDE T	TOTAL		162			n/a			162	

^{*} Ratio of 1 to 1.88 applied (dwellings to bedrooms in line with 2021 Census data and HDT)

²⁰ Only relates to sites which are contributing to the five year housing land supply, not all sites.