

Draft Test Valley Local Plan 2042

Spatial Strategy Topic Paper

June 2025

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 2042 (Revised Regulation 18). It updates the Spatial Strategy Topic Paper published alongside the Regulation 18 Stage 2 Local Plan.
- 1.2 The discussion in this paper is housing led, and has been prepared to support the current local plan consultation, which is focussed on meeting our increased Boroughwide housing need, as a result of a new NPPF published in December 2024 and a step change in our local housing need for the plan period.
- 1.3 Matters regarding the proposed spatial strategy for employment have been previously set out in a topic paper at Regulation 18, Stage 2. Further updated evidence will be set out on these matters at the Regulation 19 Stage.
- 1.4 The proposed spatial strategy has also been prepared with consideration to national and local policy, key evidence studies, Sustainability Appraisal (SA), and responses received to previous local plan consultation stages. The 'Interim SA Report (2025)' provides further detail on the process of establishing reasonable alternative growth scenarios and defining the Local Plan spatial strategy.
- 1.5 Following the current consultation, this topic paper will be updated and published alongside the Regulation 19 Local Plan, reflecting consideration of consultation responses, further evidence preparation and any changes in national and local policy. The interim SA Report, and a full range of topic papers and evidence that has informed the preferred spatial strategy can be viewed on the Council website.

Overview of Topic

- 1.6 The Spatial Strategy sets out the overall proposed distribution for growth in Test Valley, over the plan period to 2042. It sits alongside the plan objectives and vision, 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.
- 1.7 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 inform which broad areas of the plan area are more sustainable to accommodate growth.

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 2024) and the National Planning Practice Guidance (PPG).

National Planning Policy Framework (December 2024)

- 2.2 The Government published a revised NPPF in December 2024, which came into effect immediately. A key focus of the revised NPPF is to significantly increase the delivery of housing nationally. The identified local housing need for Test Valley increased by 78% (calculated using a revised Standard Method published alongside the NPPF), equating to 934 dwellings per annum over the plan period. The lifetime of the plan is 2025 to 2042, which equates to a minimum of 15,878 homes, to be delivered over 17 years. There are no requirements in national policy that enable us to justify reducing our level of housing need. Therefore, we have to take forward this level of housing need, as a minimum, within the Local Plan.
- 2.3 The NPPF has clarified that Local Plans should make provision for housing need across their whole administrative area, ie. Boroughwide. This has resulted in a revised approach to the consideration of housing distribution and land supply across Test Valley. It is therefore no longer appropriate to use a split Housing Market Area approach for planning purposes (for Northern and Southern Test Valley). The local plan and spatial strategy is therefore set out for the Borough as a whole, informed by the spatial nature of the Borough, the settlement hierarchy, and technical evidence.
- 2.4 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.
- 2.5 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.

- 2.6 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.
- 2.7 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.
- 2.8 Paragraphs 35-36 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.
- 2.9 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.
- 2.10 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.

- 2.11 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.
- 2.12 Paragraph 98 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.
- 2.13 Paragraph 110 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.
- 2.14 Paragraph 111 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.
- 2.15 Paragraph 124 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)

- 2.16 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).
- 2.17 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’

- 2.18 The Council's Corporate Plan¹, 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
- 2.19 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
- 2.20 The strategic priorities are embedded within the Draft Local Plan. The delivery of the Local Plan will continue to take 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) (2024 - 2027)

- 2.21 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. Progress on the CEAP actions is updated annually and a new Climate Change Emergency Action Plan has been published for the period 2024 to 2027, setting out the positive action the Council will take towards becoming a carbon neutral organisation and in working with communities to help them decarbonise. The Local Plan is addressing and countering our changing climate through minimising the impact of new development and adaptation.

¹ <https://www.testvalley.gov.uk/aboutyourcouncil/corporate-plan-2023-2027>

Adopted Local Plan 2016

- 2.22 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.
- 2.23 The adopted local plan spatial strategy sets out the Council's commitment to creating and maintaining sustainable settlements, through supporting the principle of 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.
- 2.24 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.
- 2.25 The five-year review of the adopted Local Plan (undertaken in 2021)² identified that the spatial strategy remained sound, at that time. 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

- 2.26 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

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

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.

- 2.27 The Council will provide support for communities producing neighbourhood plans and provide housing requirements for designated neighbourhood plan areas (in accordance with NPPF paragraph 69). Further information regarding 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.
- 2.28 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.

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.
- 3.2 The Council is also taking a wider strategic approach to cross boundary issues with the Partnership for South Hampshire (PfSH). Authorities across South Hampshire, including Hampshire County Council, work collectively through this voluntary partnership on a range of strategic matters, including a joint evidence base.

Partnership for South Hampshire (PfSH) – Spatial Position Statement (2023)

- 3.3 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. This includes guiding principles for the delivery of housing and employment development in South Hampshire and strategic direction covering the period to 2050.
- 3.4 The SPS identified the respective local housing needs (LHN) of the individual PfSH authorities, as advised by the respective local authorities. The SPS then set out a snapshot of housing supply against LHN for the PfSH local authority areas. In doing this, it was identified that there was a shortfall in housing supply. However, the SPS acknowledged that this will be addressed through preparation of local plans in the PfSH area.
- 3.5 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)
- 3.6 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 but does not set out a need for Test Valley to pursue a housing requirement above LHN (derived from the standard method).
- 3.7 The revised NPPF (December 2024) has led to significant changes in housing needs across South Hampshire. Respective local plans are at varying stages, with each local authority considering whether they can meet their own housing needs. Ongoing discussions continue on this matter. Should any definitive unmet housing need be defined, this will be discussed and 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 Duty to Cooperate Topic Paper further explains the Council's engagement with external organisations, stakeholders and neighbouring authorities.

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. In terms of 'bottom up' factors the SHELAA is identified as a key source of sites which takes account of 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 assessed the 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, calculated using the approach set out in the NPPF at the time the Study was prepared. It was consistent with the 'standard method' calculation of local housing need published for Test Valley Borough (or LHN) which was 550 homes per annum at that time. However, this assessment has been superseded by the revised NPPF (December 2024) and changes to the standard method, in calculating local housing need.

- 4.4 The Strategic Housing Market Assessment (SHMA) provides evidence of the mix and composition, size, type and tenure of housing required in the Borough. This evidence will be updated for the Regulation 19 Draft Local Plan.

Housing Market Area Study (HMAS) (2022)

- 4.5 Test Valley contains two sub areas that reflect the geography of the borough and key functional linkages within and outside the area. Historically, the Plan has considered the Borough to contain two housing market areas, and this is reflected in the HMA study (2022) which recommended a continuation of the split HMA approach to Northern and Southern Test Valley, albeit with a revised boundary. The Regulation 18 Stage 2 Plan proposed to take this forward for the purpose of monitoring housing need and calculating the five-year housing land supply.
- 4.6 The Revised Regulation 18 document proposes to change this, by removing the two HMAs, and by monitoring housing need and calculating our five year housing land supply on a boroughwide basis. This reflects the revised NPPF which requires local authorities to measure housing needs boroughwide.

Hampshire County Council's Local Transport Plans (LTP4)

- 4.7 As the statutory Highway Authority, Hampshire County Council (HCC) is required to have in place a Local Transport Plan (LTP). The Local Transport Plan (LTP4) for Hampshire will form transport policy for HCC to 2050³. It reflects national and regional policy guidance. The LTP4 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.

³ <https://www.hants.gov.uk/transport/localtransportplan>

- 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 that plan period. This employment land requirement is also split between the functional economic market areas (FEMAs). 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 website.
- 4.10 An updated employment land study assessment will be prepared to inform the final draft Regulation 19 local plan, in 2026, and to address the issue of employment needs. This will take account of the findings of the new updated SHMA, as relevant. At present the Council's position on future employment land needs remains as set out in the Regulation 18 Stage 2 draft local plan.

Strategic Housing and Economic Land Availability Assessment (SHELAA)

- 4.11 A Strategic Housing and Economic Land Availability Assessment (SHELAA) for Test Valley has been published in June 2025, following a previous SHELAA Update in February 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, including those sites submitted through the local plan consultation stages, is the starting point (in addition to existing housing supply) for identifying sufficient provision to meet the housing requirement in accordance with the emerging spatial strategy. The detailed approach to site assessment is set out in a separate Site Selection Topic Paper.

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), the Regulation 18 Stage 1 consultation (2022) and the Regulation 18 Stage 2 consultation. 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 Nursling 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) 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.

- 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 the LHN could 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.

Regulation 18 Stage 2 Consultation (2024)

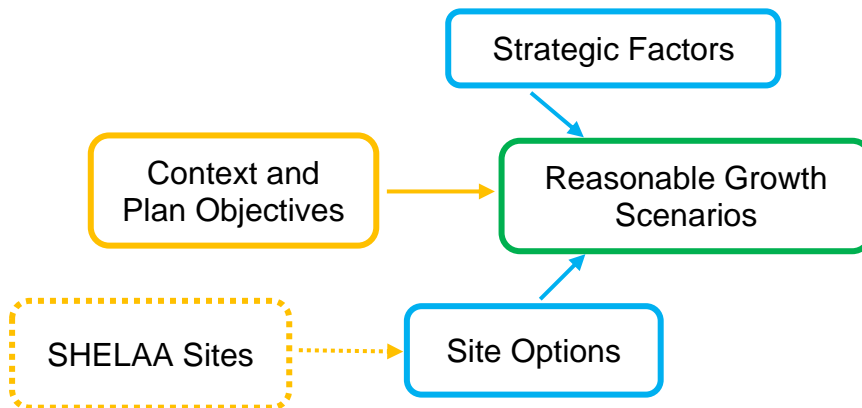
- 5.14 The proposed spatial strategy in the Regulation 18 Stage 2 Local Plan consultation for Test Valley was to focus growth in Northern Test Valley, at Andover and at Ludgershall, and for Southern Test Valley, to focus growth at Romsey and Valley Park. This carried forward the proposed strategy set out at Stage 1. The draft Spatial Strategy and a range of reasonable alternative scenarios were assessed through an Interim SA (2024). At this stage, the spatial strategy focussed growth at the most sustainable larger settlements in the settlement hierarchy (Tiers 1 and 2) through site allocation policies. Smaller scale growth was also supported at rural settlements to help support their sustainability, and to enable communities to bring sites forward, although the Local Plan did not propose to allocate sites at the rural settlements.
- 5.15 Key issues raised at the consultation stage in relation to the proposed spatial strategy included:
- Andover and Romsey are the largest and most sustainable settlements.

- Housing distribution could go wider than Andover and Romsey, including across more Tier 2 and Tier 3 settlements.
- Over reliance on large sites in Plan.
- Growth is needed at rural settlements (Tier 3 and 4) and to deliver rural affordable homes.
- Use of previously developed land (brownfield sites) should form part of spatial strategy.
- Focus growth where public transport is available.
- Spatial strategy should recognise the importance of the historic environment.
- Spatial strategy should include provision for unmet needs.
- Spatial strategy should reflect environmental constraints, including impact on the River Test and Itchen.
- Parishes that have allocated sites through Neighbourhood Plans should not have allocations imposed upon them.
- Consider a new village/settlement.
- Smaller to medium sized sites should be included in Strategy to assist delivery.

6 Defining Growth Scenarios

- 6.1 Following consultation on the Regulation 18 Stage 2 Local Plan in 2024, 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 expands upon the spatial strategy set out at Regulation 18, Stage 2, recognising the significant upturn in our LHN.
- 6.2 Further detail of the process in defining and appraising growth scenarios is set out in the interim SA Report (2025). 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:

Figure 1: Summary of process to define growth scenarios



- 6.4 The 'interim' SA Report (2025) gives consideration to the '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 934 dwellings per annum (dpa) and 15,878 homes in total, over the plan period (2025 – 2042). There are currently no strategic factors to justify setting the housing requirement above or below this figure.
- 6.6 Following the updated NPPF and standard method, published in December 2024, this has necessitated a review of the spatial strategy, in order to for the plan to deliver the revised housing quantum required, and to direct and distribute this to the most appropriate and sustainable locations across the Borough.

Broad Distribution

- 6.7 The interim SA Report (2025) sets out a range of high-level factors that influence the distribution of growth, including:

Environmental Factors

- 6.8 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 sub area

- 6.9 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)⁴ and Housing Market Area Study (HMAs, 2022) supported the separate consideration of northern and southern Test Valley. However this split housing market area approach is not explicitly supported by the NPPF, which states that local plans should make provision for their full administrative area. The proposed spatial strategy is therefore Boroughwide, but has regard to the distinctive north and south areas, and to the spread of sites across these areas and the Borough as a whole.

Settlement Hierarchy

- 6.10 A key issue drawn out through the Local Plan public consultations to date relates to distributing development in accordance with the settlement hierarchy, but with more dispersed growth than delivered through the adopted Local Plan.

Assessment of Site Options

- 6.11 The main source of sites for assessment has been the SHELAA and sites submitted for consideration through previous local plan consultation stages.
- 6.12 The full site selection process is set out in the Site Selection Topic Paper (2025) supported by the 'interim' SA Report (2025). The assessment of sites has included stages of technical assessment. 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.
- 6.13 The SA Report then draws upon the preceding two stages of work (A) development quantum; and B) broad distribution factors to give consideration to three reasonable growth scenarios. The definition of growth scenarios gives consideration to 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 and are shown at Table 1.

⁴ <https://www.testvalley.gov.uk/assets/attach/15974/test-valley-strategic-housing-market-assessment-jgc-2022-final.pdf>

Table 1: Test Valley Borough Growth Scenarios⁵

Note: (constants within the scenarios are greyed-out; variables are highlighted in blue)

Existing Housing Supply/New Site Options		Reasonable Growth Scenarios		
		Scenario 1 Emerging preferred	Scenario 2 + SW Andover	Scenario 3 + Grateley/Palestine GV*
Total Housing supply		3,187	3,187	3,187
Windfall allowance		1,265	1,265	1,265
NDP requirements (Awbridge, Wherwell)		20	20	20
Adjustment Allowance		196	196	196
Andover	7 sites	4,075	4,075	4,075
	SW Andover	-	2,000	-
Ludgershall (2 sites)		1,713	1,713	1,713
Weyhill (11 sites to deliver strategic growth)		1,034	1,034	1,034
Enham Alamein (1 site)		100	100	100
Grateley	1 site	80	80	80
	Grateley Station / Palestine Garden Village	-	-	1,420
Romsey (5 sites)		1,865	1,865	1,865
North Baddesley (1 site)		180	180	180
Valley Park (3 sites**)		1,314	1,314	1,314
M27 corridor (2 sites)		180	180	180
Stockbridge (1 site)		100	100	100

⁵ The SA was undertaken based on housing land supply figures from April 2024.

Remaining villages (11 sites)	569	569	569
Total homes over 17 years (2025 - 2042)	15,878	17,878	17,298
Average homes per annum	934	1052	1017
% above LHN (934 homes per annum)	0	13	9

* Grateley Station / Palestine Garden Village

** Includes an allocation for 44 units of extra care accommodation at Ampfield Meadows

Appraising Growth Scenarios

- 6.16 Section 6 of the Interim SA Report (2025) presents the appraisal of the reasonable alternative growth scenarios for 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 Test Valley.

7 The Preferred Spatial Strategy

- 7.1 The preferred growth scenario is Scenario 1, as set out in the Interim SA (2025). The Interim SA shows that overall, Scenario 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, although Scenarios 2 and 3 perform marginally better in terms of the overall delivery of homes.
- 7.2 Scenario 1 performs well in terms of accessibility and transport impact and performs better than Scenario 2 and 3 in terms of transport impacts. Delivering the increased LHN figure in a way that aligns with transport objectives, including in terms of car dependence, modal shift and traffic, is highly challenging.
- 7.3 The three spatial options assessed perform similarly in terms of landscape impact, biodiversity, the historic environment, climate change mitigation and adaptation, air quality, soils and resources, the economy and employment, and water.
- 7.4 Through the preparation of the local plan, there has been continued support, for directing growth primarily to the main settlements in providing for local housing need (LHN) in accordance with the settlement hierarchy
- 7.5 In the northern area, growth is focussed primarily at Andover and adjacent to the market town of Ludgershall where there is good access to services, facilities, employment and public transport. Ludgershall, in Wiltshire, is not in the Test Valley settlement hierarchy but is equivalent to a Tier 2 settlement. In addition, housing growth is also proposed at Charlton, also in Tier 2.
- 7.6 In the southern area, growth is focussed at Romsey which comprise the larger settlement in the area, with good access to services, facilities, employment and public transport. In addition, housing growth is directed towards the Tier 2 settlements of Valley Park, North Baddesley, and Nursling and Rownhams.
- 7.7 A site allocation is proposed in Mid Test Valley in the rural area, at the settlement of Stockbridge, which is one of our more sustainable and larger rural settlements, that is well served by facilities and services. Stockbridge is in Tier 2 of the settlement hierarchy and growth at this location would help to support the vitality of the settlement and the retention of a range of services.

- 7.8 Outside of these settlements, there has been some support made through local plan consultations for further distribution, at sustainable rural locations. No sites were proposed for allocation in the rural area through the Regulation 18 Stage 2 Local Plan, although the strategy sought to enable the delivery of rural village housing sites, through Neighbourhood Plans, Community Led schemes and other small scale development, with supportive local plan policies. This strategy aimed to support appropriate scale growth to help support the sustainability of the settlements and delivery of rural housing.
- 7.9 The need to support growth in the rural area is a key issue. The housing requirement cannot be delivered solely in the larger sustainable main settlements in the Borough, which are well connected to community facilities, infrastructure, employment and public transport. Smaller scale growth is appropriate in the rural area, which is of an appropriate scale relative to the scale and sustainability of the settlements, in order to support their sustainability and help sustain their existing local facilities and services.
- 7.10 While community led development, rural exception sites and Neighbourhood Plans are appropriate mechanisms for delivering housing in the rural area, site allocations within the Draft Local Plan also now form a component of the proposed spatial strategy. This reflects the role growth can play in helping to maintain facilities and services in the rural area, whilst contributing to meeting a proportion of our overall Boroughwide strategic housing need.
- 7.11 We have reviewed whether the option of a new settlement and/or the significant expansion of existing rural settlements, would be a sustainable and deliverable option that could deliver a significant number of homes and bring the benefits of providing infrastructure to support new and existing communities.
- 7.12 The option of a new village was not preferred, given the extensive infrastructure requirements and timescales associated with this option and due to environmental and other sensitivities, weighed against the potential benefits. This was not considered appropriate for our spatial strategy and a wider strategic approach to distribution across the Borough is the preferred strategy. Nevertheless, a reasonable alternative option for housing growth, through substantial settlements extensions, was considered through the Interim SA (2025).
- 7.13 The strategy does however bring forward a focussed expansion at one rural settlement, at Weyhill in the north of the Borough, to deliver over 1000 homes. The expansion of this village, which already has a reasonable range of amenities, employment opportunities and services, will enable delivery of a local primary school whilst supporting sustainability of the settlement. This approach recognises that service provision within villages will only improve if there is a population sufficient to support such services. Weyhill has a greater range of services, commercial and employment sites than many of the Tier 3 settlements, at Weyhill Fairground and to the east and south of the settlement. It also benefits from reasonable proximity and accessibility to

Andover and Ludgershall via sustainable means with a regular bus route, and with potential for enhanced cycling and walking links.

- 7.14 Through the preparation of the Local Plan, a minimum housing figure will also be assigned to designated Neighbourhood Plan areas in accordance with NPPF paragraph 69⁶, for those villages that do not have a site allocation policy through the local plan or where it is considered not appropriate, reflecting the character and constraints in the parish. Further details are set out in the supporting text to Policy SS5 (paras 3.44 to 3.57).
- 7.15 The SA Summary concludes that all three growth scenarios are associated with positives and negatives, although scenario 1 ranks highest across the greatest number of topics

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, infrastructure and 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.

⁶ Further detail of this process is set out in the Housing Topic Paper (2025)