

Statement of Common Ground

**Housing need and delivery across the
Hart/Rushmoor/Surrey Heath housing market area**

Agreed between
Hart District Council, Rushmoor Borough Council and
Surrey Heath Borough Council

1/11/18

1 Introduction

- 1.1. This Statement of Common Ground (SOCG) has been prepared jointly between Hart District Council (“Hart” or “the Council”) Rushmoor Borough Council (“Rushmoor”) and Surrey Heath Borough Council (“Surrey Heath”). It sets out the agreed position between the three authorities, which together comprise the housing market area (HMA), on the matter of addressing housing need across the HMA.

2. Background

- 2.1. The three authorities have a long-standing track record of joint working on plan making related matters including meaningful engagement over housing allocation and delivery. A North East Hampshire and North West Surrey strategic housing market sub-region had been identified in accordance with then Practice Guidance (2007) and the first SHMA was published in 2009 by the three authorities.¹
- 2.2. This first SHMA was reviewed in 2014 including confirmation of the housing market area as based on published census information including migration and travel to work patterns. A second SHMA was jointly published in December 2014²
- 2.3. The most recent joint SHMA³ is a 2016 update of the 2014 SHMA to include more recent data from ONS/DCLG (2012-base plus MYE for 2014 and 2014 with 53% uplift for market signals, affordability and employment trends). This current SHMA refers to the period 2014-2032.
- 2.4. At the time of that publication, although the Local Plans Expert Group had reported recommending the reform of housing need assessments the Government had not, at that point, indicated preference for this. The three authorities therefore approved the third and current SHMA in November 2016 before the standardised method had become established in principle as the norm to replace HMA calculations of objectively assessed housing need.

¹ North West Surrey and North East Hampshire Strategic Housing Market Assessment Final Report 2009

² Hart, Rushmoor and Surrey Heath Strategic Housing Market Assessment Final Report December 2014 (Wessex Economics)

³ Hart, Rushmoor and Surrey Heath Strategic Housing Market Assessment 2014-2032 Final Report November 2016 (Wessex Economics)

3 Addressing Housing Need

- 3.1 The latest Joint SHMA identifies an objectively assessed housing need (OAHN) of 1,200 homes per annum across the HMA between 2014 and 2032, split between the three authorities as shown in Table 1.

Table 1: Hart, Rushmoor and Surrey Heath SHMA 2016 - OAHN

Local Authority Area	Dwellings per annum	Total 2014-2032
Hart	382	6,876
Rushmoor	436	7,848
Surrey Heath	382	6,876
Total (HMA)	1,200	21,600

Rushmoor

- 3.2 The emerging Rushmoor Local Plan has reached an advanced stage of preparation. Submission of the Rushmoor Local Plan took place on 2 February 2018. The Rushmoor Local Plan Examination hearings sessions were held in May 2018. Consultation on Proposed Main Modifications and the Sustainability Appraisal Report Addendum took place between 7 September and 19 October 2018.
- 3.3 The Rushmoor Local Plan sets out a housing requirement of 7,848. The housing requirement is based on the SHMA (2016) OAHN. The Inspector suggested no Main Modifications to the housing requirement figure and her report is expected by the end of 2018.
- 3.4 To ensure delivery of the Rushmoor Local Plan housing requirement the SHELAA 2018, together with housing completions (2014-2017), identify a potential capacity of about 8,900 homes. Table 2 sets out Rushmoor's Local Plan housing requirement and the potential housing capacity figure, the latter figure is set out in Main Modifications.

Table 2

Local Plan Housing Requirement	Potential capacity (from all sources of supply)
7,848	8,884

3.5 Rushmoor presented evidence at its Local Plan Examination, to demonstrate that all of this potential housing capacity is required to provide sufficient flexibility to ensure delivery of the Rushmoor Local Plan housing requirement. The Draft Submission Rushmoor Local Plan, incorporating Main Modifications, October 2018, does not identify any capacity to meet any (unquantified) unmet need in Surrey Heath, due to the particular circumstances of the Borough, as demonstrated through the Plan making process.

Surrey Heath

- 3.6 Surrey Heath consulted in June – August 2018 on a Draft Local Plan Issues and Options/Preferred Options (Reg 18) for the period 2016-2032.
- 3.7 The Draft Local Plan document reflects Government policy as set out in “Planning for the right homes in the right places” September 2017 and the proposed “standard approach” to assessing housing need to replace previous guidance on the calculation of objectively assessed housing need in housing market assessments. The draft Local Plan Reg 18 document utilises the proposed standard methodology approach and the indicative housing need figure of 352 dwellings per annum (2016-2026) is as set out in the housing need consultation data table⁴ (17th September 2017) and which utilises 2014-based projections. This table establishes housing need for Surrey Heath Borough figure which is lower than the published SHMA figure (382 dpa).
- 3.8 The draft Local Plan document anticipated that further revisions to the standard methodology would be published in due course based on further updates to national population and housing projections.
- 3.9 It is recognised by the three authorities that Surrey Heath has a restricted housing land supply with a relatively high proportion of area subject to national planning constraints and policies such as Green Belt and SSSIs. Other land availability issues and environmental constraints such as the

⁴https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/644783/Housing_Need_Consultation_Data_Table.xlsx Published 14th September 2017

Thames Basin Heaths Special Protection Area further impact onto available supply. The Government Consultation Document housing need data table notes that Surrey Heath is constrained by national planning constraints and national planning policies (60%).

Table 3

Standard method local housing need 2016-2032 Based on 352 dpa	Identified housing supply 2016-3032	Shortfall to be met elsewhere in HMA
5,632	4,901	731

- 3.10 The identified local housing target referred to in the Surrey Heath Draft Local Plan document is less than the indicative housing need figure from the Standard Methodology table (2017) as this has been set against the published SLAA assessment of supply (2017). A shortfall of 731 homes (2014-2032) is identified and referred to in the draft Local Plan consultation document.
- 3.11 Since the Draft Local Plan consultation document was published by Surrey Heath (June 2018), new population and household projections (2016 base) have been published by MHCLG for local authority areas. Most recently MHCLG have considered issues around the 2016-based Population and Household projections and is currently seeking views on various questions arising, and with a recommendation that local authorities continue to use the 2014-based projections. The consultation closes on 7th December.⁵
- 3.12 The three authorities have previously recognised the constraints operating in Surrey Heath Borough which have restricted an ability to achieve full OAN and discussed meeting unmet need in the SHMA area. This is recognition of the duty to jointly resolve this matter. The quantum of unmet housing need from Surrey Heath to elsewhere in the HMA however remains unresolved and currently cannot be concluded. In the meanwhile the three authorities consider that the process of Local Plan making should not be delayed and that recognition of an unquantified level of need from

⁵ Technical Consultation on updates to national planning policy and guidance published 26th October 2018
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/751810/LHN_Consultation.pdf

Surrey Heath be referred to until the confirmed national position has been published.

- 3.13 The level and distribution of the unmet need across the SHMA area, to be included in the Surrey Heath Local Plan Reg 19 version has therefore not been further quantified at this point in time.
- 3.14 Surrey Heath is currently considering the representations received at Reg 18 consultation stage. This includes comments from Hart and Rushmoor on housing supply and delivery.
- 3.15 Surrey Heath produced an Interim Capacity Study (April 2018) to support engagement under the Duty to Cooperate and Reg 18 discussions. This has been accepted by the three authorities as a basis for further progress. A Call for Sites 2018 is being conducted by Surrey Heath to update the SLAA 2017, together with other work investigating capacity, but the outcome of these have not been concluded and therefore not currently available.
- 3.16 Surrey Heath considers that for the purposes of the Hart Local Plan, it is pragmatic to conclude that it is very unlikely, given present indications, that full OAN can be met within Surrey Heath Borough notwithstanding efforts to increase housing yield (“densification”) within existing built up areas and brownfield land, including available housing land within the Call for sites in the updated SLAA and carrying out sustainable revisions to countryside and green belt boundaries. Surrey Heath BC is carrying out further evidence gathering to confirm these supply-side matters, prior to publication under Regulation 19 and, under Duty to Cooperate arrangements across the SHMA area, will continue to actively engage with HDC and RBC to satisfy them that this work is being carried out with sufficient rigor to establish a sound basis for the emerging Surrey Heath Local Plan.

Hart

- 3.17 Hart’s Plan is based on the standard method, albeit uplifted from a capped figure of 292 homes per annum⁶ to a housing requirement of 388 homes per annum from 2016-2032 (see Policy SS1 and Appendix 2 of the submitted Local Plan CD1).
- 3.18 Transitional arrangements confirmed in the 2018 NPPF mean that Hart’s Plan will be examined against the 2012 NPPF. In light of this (and the

⁶ This was the calculation for the ‘capped’ figure at the time the Plan was published under Regulation 19.

Government's intention to revise the standard method) Hart now considers that the most robust assessment of need for the purposes of the Hart Local Plan is the SHMA OAHN.

- 3.19 Table 4 sets out the OAHN for Hart, the housing requirement, the latest housing supply figure, and the planned surplus (excluding the proposal for a new settlement at Murrell Green/Winchfield).

Table 4

SHMA OAHN 2014-2032	Residual SHMA OAHN from 2016 to 2032⁷	Housing requirement from 2016 to 2032	Identified supply 2016-2032	Surplus over SHMA OAHN⁸
6,876 382 dpa ⁹	5,833 365 dpa	6,208 388 dpa	6,341	508

- 3.20 Hart's Plan meets SHMA OAHN with a surplus identified supply of 508 homes. This does not include the proposed new settlement at Murrell Green/Winchfield (to be brought forward through a separate DPD – see Policy SS3 in the submitted Plan).
- 3.21 The new settlement is a major commitment to plan over and above the currently identified housing needs for Hart. It is positive, long-term, strategic planning that mitigates against the risk of additional needs arising in Hart in future, including through any shortfalls in Surrey Heath that have yet to be quantified.
- 3.22 In the event that the measures in the Local Plan are inadequate to address unmet need, the text of the Plan is clear that an early review will be triggered (paragraph 427 of the Plan).

4 Outcome

- 4.1 The three Councils confirm that:
- a) for the purposes of establishing objectively assessed housing need in Hart, the OAHN from the SHMA 2016 provides a robust and relevant evidence base;

⁷ SHMA OAHN for 2014 to 2032 minus completions of 338 in 2014/15 and 705 in 2015/16

⁸ Supply of 6,341 from 2016 subtract residual OAHN from 2016 (5,833) = 508

⁹ Dwellings per annum

- b) the scale of the shortfall in Surrey Heath has yet to be determined and that this should be referred to in the Hart Local Plan (if necessary through a Proposed Modification);
- c) in light of this uncertainty the Hart Local Plan takes a reasonable approach to unmet needs by planning over and above OAHN, in particular the commitment to plan for a new settlement at Murrell Green/Winchfield;
- d) the three authorities consider they are in accordance with the Duty to Cooperate in maintaining effective cooperation and are taking steps to meet identified needs in the SHMA area as a positive outcome required by Guidance.
- e) all three authorities will continue to meaningfully engage, at both officer and Member level, under the duty to cooperate to ensure housing need is addressed across the SHMA and to be detailed in a NPPG compliant Statement of Common Ground as soon as practical. Member engagement will continue through the Joint Member Liaison Group referred to in the Hart Duty to Cooperate Statement.

RE: Statement of common ground - HMA Nov 2018

Louise Piper <louise.Piper@rushmoor.gov.uk>

Thu 01/11/2018 11:57

To: Daniel Hawes <daniel.hawes@hart.gov.uk>; Philip James <Philip.James@surreyheath.gov.uk>;

Hi Daniel

I can confirm that Rushmoor BC is in agreement with SOCG SHMA Hart Examination v1.0.docx, sent through at 11:19am on Thursday 01 11 18.

Lou

From: Daniel Hawes [mailto:daniel.hawes@hart.gov.uk]
Sent: 01 November 2018 11:19
To: Louise Piper; Philip James
Subject: Statement of common ground - HMA Nov 2018

Dear Philip and Louise

I attach a Statement of Common Ground regarding housing need and delivery across the HMA.

Please confirm that your authority agrees with this statement.

Many thanks.

Daniel Hawes
Planning Policy Manager
Hart District Council

01252 774120

<http://www.hart.gov.uk>

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<https://outlook.office.com/owa/?realm=hart.gov.uk&exsvurl=1&ll-cc=1033&modurl=0> 02/11/2018

RE: Statement of common ground - HMA Nov 2018

Philip James <Philip.James@surreyheath.gov.uk>

Thu 01/11/2018 15:56

To: Daniel Hawes <daniel.hawes@hart.gov.uk>; 'Louise Piper' <louise.Piper@rushmoorgov.uk>;

Importance: High

1 attachments (500 KB)

SOCG SHMA Hart Examination v1.0.pdf

Dear Daniel and Louise,

Thank you Daniel for sending across the finalised Statement of Common Ground earlier today which reflects our various discussions and agreed position on housing need and delivery across the three councils.

I am happy to confirm formal agreement by Surrey Heath Borough Council to this Statement – pdf version attached.

Rushmoor have also agreed. Therefore would you let us know when you intend this SOCG to be received by the HLP Inspector and I will arrange for it to be uploaded as a public document onto Surrey Heath's website shortly after.

Kind regards

Philip James

Philip James
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From: Daniel Hawes [mailto:daniel.hawes@hart.gov.uk]

Sent: 01 November 2018 11:19

To: 'Louise Piper'; Philip James

Subject: Statement of common ground - HMA Nov 2018

<https://outlook.office.com/owa/?realm=hart.gov.uk&exsvurl=1&11-cc=1033&modurl=0> 02/11/2018

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Please confirm that your authority agrees with this statement.

Many thanks

Daniel Hawes
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