



The Planning Inspectorate

Report to Eastleigh Borough Council

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an Inspector appointed by the Secretary of State for Communities and Local Government

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PLANNING AND COMPULSORY PURCHASE ACT 2004 (AS AMENDED)

SECTION 20

REPORT ON THE EXAMINATION INTO EASTLEIGH BOROUGH COUNCIL'S EASTLEIGH BOROUGH LOCAL PLAN 2011 - 2029

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Examination hearings held between 10 and 13 November 2014

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Abbreviations Used in this Report

HMA	Housing Market Area
HRA	Habitat Regulations Assessment
DPA	Dwellings per annum
LDS	Local Development Scheme
LHA	Local housing allowance
PRS	Private rented sector
ONS	Office for National Statistics
PUSH	Partnership for Urban South Hampshire
SA	Sustainability Appraisal
SCI	Statement of Community Involvement
SCS	Sustainable Community Strategy
SHLAA	Strategic Housing Land Availability Assessment
SHMA	Strategic Housing Market Assessment
UPC	Unattributable Population Change

Non-Technical Summary

This report concludes that the Eastleigh Borough Local Plan has a number of shortcomings in relation to housing need, the identified housing requirement and housing supply which are sufficient on their own to recommend non-adoption of the Plan.

I have found that the Council has not recognised the full extent of affordable housing need in the Borough and, as a consequence, has not considered all options to seek to better address that need. There are also market signals which indicate that some additional market housing is required in any case. The five year land supply position is inadequate, even for the housing requirement identified in the submitted plan, because a 20% buffer is required and the overall supply position is tight, with no flexibility to respond to changing circumstances.

Introduction

1. This report contains my assessment of the Eastleigh Borough Local Plan 2011-2029 in terms of Section 20(5) of the Planning & Compulsory Purchase Act 2004 (as amended). It considers whether the Plan is sound and whether it is compliant with the legal requirements. The National Planning Policy Framework (the *Framework*, paragraph 182) makes clear that to be sound, a local plan should be positively prepared; justified; effective and consistent with national policy.
2. The starting point for the examination is the assumption that the local authority has submitted what it considers to be a sound plan. The basis for my Examination is the draft plan submitted in July 2014 which is the same as the document published for consultation in February 2014.
3. This report addresses only the most significant issues arising from the hearings held in November 2014. Those hearings primarily considered matters relating to housing and employment needs, the Plan's requirements for the provision of housing and employment land and housing delivery and supply. Following those hearings, I published *Preliminary Conclusions* (Examination Document, ID/4) 26 November 2014 in which I identified a number of shortcomings relating to the identification of housing needs, the housing requirement and land supply. The Council raised various questions of clarification on those conclusions (EBC/10) which I addressed in ID/6, although this did not change my reasoning in my *Preliminary Conclusions*.
4. Given the shortcomings I had identified in my *Preliminary Conclusions* I decided that it was not a cost-effective or efficient use of all parties' time to continue with further hearings which had been planned for January/February 2015, which would have considered site-specific allocations, amongst other matters. I had further exchanges with the Council about whether the Examination could be suspended for further work or should be stopped at this stage (EBC/11 and /12 and ID/7 and /8). Eastleigh Borough Council decided on 18th December 2014 that, among other matters, work should begin on a new local plan for the period 2011-2036 and that I be requested to submit my report on the Examination to date. That request was made by the letter of 22 December 2014 (EBC/13).
5. This report is produced in response to the Council's request. It incorporates the greater part of my *Preliminary Conclusions* so far as relevant in relation to housing needs, the requirement and supply. The report does not change the reasoning previously set out and I have made only minor amendments and corrections to the previous text for clarity and to reflect the passage of time. I do not reproduce in this report the previous discussion of possible ways forward, since that is no longer relevant. Reflecting its chosen way forward and the difficulties of making potentially significant changes to the submitted Plan, the Council has, rightly, not made a request for me to recommend modifications to remedy the Plan's deficiencies and thus my report is confined to recommending non-adoption of the Plan.
6. Following the November hearings I also issued some conclusions and comments on a few other, less significant, matters (*Post Hearing Note 3* -

Other Matters ID/5). The problems I identified in that Note appeared capable of being addressed by modifications without requiring substantial further work. Other than in relation to the Habitat Regulations (see below) I do not refer to these other matters further in this report as they do not relate to main issues I am addressing here.

Assessment of Soundness

Main Issues

7. Taking account of all matters discussed at the hearings in November 2014 and all relevant related representations and written evidence I have identified two main issues on which I have assessed the soundness of the Plan.

Issue 1 – Whether the plan makes adequate provision for housing and economic growth

Derivation of the housing requirement in the Plan

8. The Framework (paragraphs 47 and 159) requires Councils to assess their area's housing needs and to meet those needs in full in their local plans. Those needs should be established by a Strategic Housing Market Assessment (SHMA) based on an objective assessment of housing needs involving neighbouring authorities where housing market areas (HMA) cross administrative boundaries. The only provision in the Framework (paragraph 14) for not fully meeting needs is if any adverse impacts of doing so would significantly and demonstrably outweigh the benefits or the specific policies in the Framework which indicate that development should be restricted.
9. This Local Plan has a protracted history with the original draft plan being published three years ago. Since then there have been significant changes in the planning context: publication of the Partnership for Urban South Hampshire (PUSH) South Hampshire Strategy 2012; publication of the Framework; and revocation of the South East Plan. The submitted Plan proposes in policy S2 a minimum of 10,140 new dwellings in the plan period of 2011 - 2029 which equates to 564 dwelling per annum (dpa). How this figure has been derived and justified is summarised in the *Housing Background Paper* EBC/H1 (July 2014) and in the *Sustainability Appraisal* EBC/G2 (10.2.3 - 10.2.9). The figure of 10,140 is derived from the apportionment made to Eastleigh Borough in the PUSH SHS 2012, increased by 5%. The South Hampshire Strategy was not based on an objective assessment of housing need in an up to date SHMA and thus, whilst reflecting a positive co-operative approach by all authorities in the sub-region, was not compliant with the Framework.
10. Irrespective of how the 10,140 was originally derived, I consider that the relevant test now is whether, in practice, in the light of all the evidence available it meets the requirements of the Framework. The Council's position is somewhat ambiguous as to whether it considers there is an objective assessment appropriate for Eastleigh Borough to inform this Plan.

The PUSH SHMA and PUSH Strategy

11. The South Hampshire Strategic Housing Market Assessment (SHMA) January 2014 (EBC/H4A) was published just before the publication of the pre-submission Plan. It was produced on behalf of all the PUSH authorities in the South Hampshire sub-region and covers needs in the period 2011-2036. It identifies two HMAs within the PUSH area. Eastleigh Borough is wholly within the Southampton HMA. I have seen no evidence to justify a different definition of an HMA for Eastleigh. The SHMA includes nine different projections to explore objectively assessed needs. Some, such as zero net migration or zero employment growth are so at odds with Framework as to not be worth putting forward, but they have not been used to determine the recommended outcome. I note that many local residents support much lower projections of housing need, but these would not be consistent with national policy.
12. In relation to household/population projections, the methodology used in the SHMA is not fundamentally criticised. Its conclusion is that needs amount to 2,115 dpa in the Portsmouth HMA and 2,045 in the Southampton HMA (11.24). Appendices to the SHMA set out all nine projections individually for the local authorities (or parts thereof) within the PUSH area. For Eastleigh Borough, applying the report's recommended projection at a Borough level amounts to 615 dpa (SHMA, Appendix U, Table 19). This equates to 11,070 dwellings for the Local Plan period to 2029 (EBC/H1 paragraph 4.68), 930 more than the Plan proposes.
13. The SHMA focuses on assessing needs on the basis of the two identified HMAs. This is consistent with the approach to preparing SHMAs in the Framework. However, to progress a local plan a Council needs to determine the needs within its area. The SHMA states that the figures it provides for individual Boroughs should be used with caution. The Council highlights this cautionary approach in resisting the use of the 615 dpa figure referred to above in determining its housing need/requirement. However, there needs to be some basis to do so and, in my view, the PUSH SHMA and the JGC Study (see below) provide a reasonable starting point. If the Council considered that the Borough-based assessments were fundamentally inadequate then it should have withdrawn this Plan and undertaken what further work it considered necessary.
14. The Council see the PUSH Spatial Strategies as the tool to derive the requirements for each Borough in a manner which meets the Duty to Co-operate. But as I have already noted, the 2012 Strategy was not based on an objective assessment of need compliant with the Framework, which weakens its suitability for this purpose. The PUSH authorities have agreed a programme of work to prepare a new PUSH Spatial Strategy. This envisages public consultation on options in summer 2015 and consultation on a final strategy early in 2016.
15. The Borough Council see this new Strategy as the appropriate means to address the spatial response to the PUSH SHMA 2014 and to determine housing needs and requirements at a Borough level. Accordingly, it has already included in its Local Development Scheme (LDS) a review of the Local Plan to be published in 2016 to respond to the new Strategy. This intention

shows a commendable commitment to co-operative working in the future. I recognise that a planned review can be a relevant consideration in assessing the soundness of a plan. However, the planned review is at least two years away and the timetable for the finalisation of the new PUSH Strategy could easily slip, given the number of authorities involved and the complex and potentially controversial issues it needs to address. Similarly, the long gestation period of the current Local Plan inevitably raises uncertainty over the Council's ability to deliver a review so tightly aligned to the finalisation of the new PUSH Strategy.

16. Accordingly, I consider that for the short/medium term at least, this Local Plan should seek to meet the expectations of the Framework and any significant shortcomings should be addressed now and not be postponed to the review. A planned review cannot make an unsound plan sound.
17. The Council estimates (EBC/H1 Table 5.1) that existing local plans covering the Southampton HMA are proposing to deliver nearly enough housing to meet the SHMA's recommended need for the period 2011-2026, with a shortfall averaging 50 dpa (750 dwellings overall). Of the Councils covering at least part of this area, only Test Valley has not got an adopted plan in place for this period. Southampton City is the largest single provider of housing within the HMA and Eastleigh Borough is second. The contributions from the other authorities are much smaller, reflecting that only parts of those authorities are in the PUSH area and the Southampton HMA. The current shortfall estimated by the Council for the Portsmouth HMA is much greater at nearly 500 dpa (EBC/H1 Table 5.2).
18. No Councils within PUSH object to the scale of housing provision proposed in this Local Plan and none have requested Eastleigh Borough to accommodate any of their housing needs. In this context, I do not see the Duty to Co-operate as requiring Eastleigh Borough to anticipate whether or not other authorities in PUSH will be able to meet their housing needs. To do so would involve drawing conclusions about the ability of those authorities to deliver housing which neither the Council nor I are in a position to do. Such assumptions would not reflect a co-operative approach.
19. It is a legitimate role for the PUSH strategy, as an expression of the Duty to Co-operate, to assign all unmet needs within the HMA beyond 2026 and, if required, between the 2 HMAs. Provided that a new PUSH Strategy is finalised in 2016 there would be sufficient time for all plan reviews to roll forward provision on the agreed basis from 2026. The difficulty is with the modest shortfall emerging in the short/medium term, as the timing of the PUSH Strategy and subsequent reviews of plans will unacceptably delay that shortfall being addressed. I consider this further below after considering the JGC Study.
20. The PUSH authorities clearly have the structure in place and a commitment to working together in the future as they have done in the past. The PUSH structure and the work it has produced and intends to produce demonstrate an admirable co-operative approach. But the process is time-consuming and there is a danger of building-in delay to local plans. This is why it is essential that this Plan responds as fully as possible to the identified needs of Eastleigh Borough.

The JGC Study

21. Subsequent to the publication of the Local Plan and the PUSH SHMA, the Council commissioned further work on population projections - the JGC Study *An Analysis of Objectively Assessed Needs in the light of the 2012 based Sub-national Population Projections* (EBC/H1A) June 2014. As its name implies, this took account of the recent publication of the 2012- based SNPP which were not available for the PUSH SMHA. The JGC Study produces a new household projection for Eastleigh Borough and the Southampton HMA. Fig 8.3 shows a need for 549 dpa for Eastleigh Borough when calculated for the plan period to 2029. This equates to a need for 9,882 dwellings for Eastleigh Borough (see EBC/H1, 4.90). For the Southampton HMA, the Study projects need for each 5 year period to 2036 (Figure 8.2, EBC/H1A) and the annual requirement varies slightly for different periods. The need is 2,027 dpa between 2011-2026; 2,019 dpa 2011-2029; and 2,005 dpa 2011 -2036. On the basis of these figures the deficit on delivery in the HMA to 2026 would range from only 10 dpa using the required rate to 2036 to 32 dpa using the rate up to 2026. Given that the Eastleigh Plan covers the period to 2029 it seems appropriate to use the rate for that period which results in the deficit in the HMA being 24 dpa.

22. There are three important points to note about the difference between the projection in the JGC Study and the projection favoured in the PUSH SHMA. Firstly, the Study was published after the consultation period on the Local Plan. There is no indication that other planning authorities within Southampton HMA agree with its analysis. Whilst the figure for Eastleigh Borough is materially lower than that in the PUSH SHMA, the figure for the whole HMA is only slightly lower, indicating that Eastleigh is generating a lower proportion of the housing needs in the HMA. If these figures are used for the housing requirement in Eastleigh, a greater proportion of needs would be met in the rest of the HMA than suggested in the SHMA. My understanding is that it is the PUSH SHMA that will primarily inform the work on the revised PUSH Strategy and it is not clear whether there will be any general updating of projections on a PUSH-wide basis. Accordingly, it would not be wise to rely solely on the JGC Study.

23. Secondly, the SHMA had included within the projection of future migration the Office for National Statistics' (ONS) Unattributable Population Change (UPC) factor which had to be added (or subtracted) to the ONS's Mid-Year Estimates to ensure that there is alignment in all the data across the country between the 2001 and 2011 Censuses. For Eastleigh, the UPC is a significant positive figure suggesting likely under-recording of past in-migration. However, ONS has not included the UPC component in the 2012 SNPP, hence the population projections for Eastleigh are lower than before. ONS consider that the UPC should not be attributed to migration because, as its name implies, the reasons for the adjustment is unknown. Given this advice and ONS' approach to its own projections, it is reasonable for the JGC study to follow the same approach. Over time, the significance of the UPC will decline and ONS has improved its methodology for assigning international migration. Nevertheless, UPC may represent higher than accounted for migration into Eastleigh in the past, which may continue in the future. This is not reflected in the 2012- based SNPP and thus not in the JGC Study's outputs. The higher figure for the recommended projection in the SHMA represents, at least in

part, this possibility.

24. Thirdly, the JGC Study carried out a more detailed analysis than the SHMA on the local reasons behind the slowing of the trend of household formation (headship rates) revealed in the 2011 Census. In the light of this analysis, it recommends a part return to the underlying long term trend to reach 73% of the 2008-based rate by the end of the projection period. I consider that this is a well-informed analysis consistent with the evidence and with other Inspectors' conclusions on this issue. The recommended projection in the SHMA had not assumed such a high degree of convergence and so the application of this analysis to its population projection would result in more new households, particularly towards the end of the projection period.
25. In relation to the starting point of a demographic projection, I consider that whilst the JGC Study is a robust piece of work in this regard, the projection in the PUSH SHMA should not be ignored. Thus demographic evidence indicates that Eastleigh should be providing between about 550 - 615 dpa. For the reasons given above, the most robust approach would be a figure toward the upper end of the range. The proposed rate in the Local Plan of 564 dpa sits within this range, but I consider that it is marginally too low in relation to the most appropriate demographic projection.
26. On the Council's evidence, there is a shortfall in housing supply of between 360-750 dwellings between 2011 -2026 in the Southampton HMA, depending on whether the PUSH SHMA or the JGC Study is used. Considered in isolation, Eastleigh Borough does not have to accommodate all this shortfall, but it should seek to accommodate some of it so as to reduce the extent to which any PUSH Review has to address a backlog of provision. More importantly, in the light of my conclusion in relation to affordable housing below, this shortfall in the HMA suggests that on demographic projections alone there is some scope to increase the provision of market housing to deliver more affordable housing. The shortfall in the HMA clearly provides an opportunity for housing provision in Eastleigh to be increased without any wider impact on the HMA, although I see no reason why any such uplift would need to be capped at this shortfall figure.
27. The demographic projections are only the starting point for determining housing need and ultimately the housing requirement. I thus turn below to these other relevant matters.

Affordable Housing

28. Affordable housing for planning purposes is defined in the Framework's Glossary.
29. The PUSH SHMA was not published until close to the publication date of the Plan. Whilst the Council was aware of its preliminary findings prior to publication, it is clear that much of the early preparatory work for this Plan was not informed by an up-to-date understanding of the need for affordable housing in the district. This is a significant shortcoming.
30. The PUSH SHMA identifies 1,661 households pa in the Southampton HMA in need of affordable housing, of which the need in Eastleigh Borough is 509 pa (SHMA Appendices, Table 34, p79). The SHMA notes (8.78) that

accommodation in the private rented sector (PRS), where households are in receipt of the local housing allowance (LHA, also termed *housing benefit*), is not a recognised form of affordable housing. It suggests that the extent to which Councils wish to see the PRS being used to make up for shortages of affordable housing is ultimately a local policy decision. Nevertheless, the SHMA goes on to assume that the current role of the PRS continues. On that basis, the SHMA reduces the need for affordable housing by discounting from assessed need an estimate for future lettings in the PRS to households in receipt of the LHA (SHMA, Appendices, Table 36, p81). Accordingly, it substantially reduces overall affordable housing needs in the Southampton HMA to 400 dwellings, of which the need in Eastleigh Borough is 310.

31. On the basis of these reduced figures, it concludes that there is no PUSH-wide need to increase housing provision to meet affordable housing needs (paragraph 11.9), but for Eastleigh Borough it comments (8.79): *even assuming the current role of the private rented sector continues we identify a need to deliver around 310 affordable homes pa which would require overall housing provision in the region of 1,000 to 1,100 dpa*. The Council, however, does not consider that any increase in housing provision to meet affordable needs is justified in this Plan. I consider below the three key assumptions leading to these conclusions.
32. Firstly, the PUSH SHMA assumes (EBC/H4A, 8.6) 30% of gross income spent on housing is the threshold for households in need of affordable housing. Many developer interests consider that this is too high and highlight the reference to a 25% threshold in the 2007 DCLG SHMA Guidance. But that document has been cancelled. National Policy Guidance (the *Guidance*) does not specify a threshold. I note that 30% of the estimated income required to access market housing in Eastleigh would be (just) insufficient to rent an entry level two bedroom property. Three bedrooms would be out of reach. Thus a proportion of families would not be able to secure accommodation of adequate size when spending 30% of income on housing (SHMA Appendices, Table 23, p73 and Figure 18, p70). A 30% threshold should thus be seen as the upper end of a possible range.
33. Using the SHMA methodology, a 25% income threshold would increase the identified need for affordable housing to about 624 dpa for Eastleigh (prior to any role assigned to the PRS). This highlights the sensitivity of the threshold used. Accordingly, the figure in the SHMA of 509 dpa should be seen as a baseline, with actual needs recognised as potentially greater. In this context, I see no justification for the Council assuming that more than 30% of income could reasonably be spent on housing. Some households may be forced to do so, but that does not make it a justified approach to assessing need.
34. Secondly, there is no justification in the Framework or Guidance for reducing the identified need for affordable housing by the assumed continued role of the PRS with LHA. This category of housing does not come within the definition of affordable housing in the Framework. There is not the same security of tenure as with affordable housing and at the lower-priced end of the PRS the standard of accommodation may well be poor (see for example: *Can't complain: why poor conditions prevail in the private rented sector*, Shelter March 2014, provided by Tetlow King on behalf of Landhold Capital).

35. The Framework requires planning authorities to meet the housing needs of their area including affordable housing needs. The availability of accommodation within the PRS where households are in receipt of the LHA is outside the control of the Council, being determined by the willingness of private landlords to let to tenants in receipt of the LHA. The operation of the LHA is determined by the government. I have no doubt that households in need of affordable housing readily perceive a substantial difference between these two types of housing for the reasons already given. Accordingly, affordable housing needs in Eastleigh Borough are at least 509 dpa and would be higher if a more cautious approach were to be taken to the proportion of income which it is assumed is reasonable to spend on housing.
36. Most of this need for 509 dpa is not additional to the 550 - 615 dpa arising from the demographic projections. It is a requirement for a distinct type of housing. I recognise that much of the need may be households in accommodation which is inadequate for their needs, but which may be adequate for other households. The SHMA's assessment takes account of the release of affordable units for those needing to move who are already in affordable housing (EBC/H4A, 8.32). Similarly, a move of a household from an unsuitable private rented unit to a suitable affordable unit would free-up that private rented unit, but such moves cannot happen unless affordable homes are available.
37. In relation to affordable housing provision over the plan period, the Council notes that 323 affordable units had been delivered between 2011-2014; existing planning permissions have secured a further 686 units; and on the basis of the percentages in policy DM28, a further 2,000 could be secured from future permissions, resulting in about 3,000 new affordable housing units over the plan period. This is the maximum likely to be delivered. Actual delivery might be less as it depends on the viability of specific sites to deliver at 35%. The Council's estimate equates to an average of 167 pa, substantially below the need for affordable housing and below even the SHMA's figure of 310 pa where the role of the PRS with LHA was assumed to be meeting part of the need.
38. The failure of the Council to recognise the true scale of need for affordable housing and therefore the consequential failure to consider how it might be addressed is a serious shortcoming.

Market signals

39. The Framework and Guidance indicate that household projections should be adjusted to take into account market signals. The Guidance refers to appropriate comparison of indicators both in absolute levels and rates of change. The SHMA (EBC/H4A, 6.90-6.97) highlights Eastleigh and Fareham among the core PUSH authorities as experiencing the highest median prices for most property types and where affordability issues are more acute. Overall, it concludes that market signals are not significant for most of the core authorities, but identifies modest market pressure in Eastleigh and Fareham.
40. Developer interests highlight a range of market signals (see, for example, Table 5.3 in Nathaniel Lichfield and Partners work for Gladman

Developments). Not all signals demonstrate that Eastleigh is worse than the national or regional/sub regional averages. But on some crucial indicators it is. Between 1997 and 2012, the affordability ratio for Eastleigh worsened by 97%. For the Southampton HMA and England the figures are 92% and 85% respectively (Barton Wilmore, Open House October 2014, Table 6.4, for Hallam Land). Time series rental data from the Valuation Office Agency is available only between 2011 and 2013, but indicates rents rising by 7.4% in Eastleigh compared with 4.4% nationally and 6.9% in Hampshire (Open House, paragraph 5.12). Overall, market signals do justify an upward adjustment above the housing need derived from demographic projections only.

41. It is very difficult to judge the appropriate scale of such an uplift. I consider a cautious approach is reasonable bearing in mind that any practical benefit is likely to be very limited because Eastleigh is only a part of a much larger HMA. Exploration of an uplift of, say, 10% would be compatible with the "modest" pressure of market signals recognised in the SHMA itself.

Accommodating economic growth

42. Local Economic Partnerships (LEPs) are the lead body for promoting local economic development. In this case, it is the Solent LEP, which covers a similar geographic area to PUSH. I consider that a key test of the economic strategy of the Plan is compatibility with the intentions of the LEP, given its role, which includes control of substantial public funds to support economic development. The LEP's current strategy is the *Solent Economic Plan 2014-2020* (EBC/G1) published in March 2014. This sets out a number of economic aspirations, including job growth, drawn from economic projections provided by Oxford Economics (*Solent LEP Economic Outlook*, March 2014). This included a baseline forecast and preferred growth scenario. The LEP's Economic Plan mostly seeks to achieve the headline indicators of the preferred scenario (comparing p6 of EBC/G15 with 4.1 of the Economic Outlook).
43. An important element of the LEP strategy is the promotion of various key sites for economic development. There are seven key sites identified for 2015-2017. None are in Eastleigh Borough. There are a further five sites identified as *Future Pipeline Sites*. One of these, described as: *Ford site, Eastleigh Riverside and Southampton Airport* extends over a large area which straddles the boundary between Southampton City and Eastleigh Borough. The Ford factory which closed in 2013 is not in Eastleigh and its redevelopment is not dependent on any proposals within Eastleigh. The submitted Local Plan includes proposals for facilitating various types of economic development in this area: at Eastleigh Riverside (policy E9, mainly business areas for redevelopment), adjoining Eastleigh Riverside side (policy E10, 9.60 ha of greenfield land) and Southampton Airport (policy E12, including 21 ha of undeveloped land north east of the runway).
44. The site-specific merits of these three allocations and the requirements of each policy were not explored at the hearings in November. The main area of dispute/uncertainty concerns achieving a new access road to facilitate major greenfield development and the requirements to accommodate such a potential future road in any redevelopment of other areas. Because of the current uncertainty, the Council has not included the allocated greenfield

employment land as part of its employment land supply for the plan period, but sees it as an opportunity for more economic development if economic circumstances are favourable. Given the scope for redevelopment on the Ford site and parts of the allocations in Eastleigh, I see nothing at odds between the intentions of the LEP in identifying Ford/Airport/Riverside and this Plan.

45. In the summer of 2014, the LEP received substantial public funding to help bring forward a number of its identified key sites. But there was no such funding for the Ford/Airport/Riverside area. Delivery of the LEP's preferred growth scenario will therefore depend on delivery on sites outside Eastleigh and on various generic measures. The LEP has not commented on the Plan. (It did comment on the adjoining Test Valley Local Plan which was published at a similar time, so I do not regard this lack of comment as an omission). I conclude that the LEP is content with the economic intentions of the Plan and that in the short-medium term, the most likely opportunities for achieving aspirational growth in the LEP area are largely outside Eastleigh Borough.
46. The Plan proposes a minimum of 133,000 sq m of employment development (which is largely intended to be within the B use class). Table 3 in the Plan indicates that total anticipated new floorspace exceeds this minimum at about 148,000 sq m. (Appendix 5 of EBC/2 gives details of the sites which make up this figure.) The Council has taken into account a wide variety of evidence in initially identifying and subsequently justifying this level of provision in the Plan (see, in particular, *Employment Land Strategy Report* July 2014 EC1c). The minimum floorspace figure in the Plan is made up of two components. The *Employment Land Requirements Study* January 2012 (EC1b) identified a need for about 92,500 sq m net additional employment floorspace. The Council identified a need for an additional 40,700 sq m of B class floorspace to replace anticipated losses of existing major employment sites (over and above the past trends for such losses - see section 3.3, EC1c).
47. An *Employment Land Requirements Study Update* was published in May 2014 (EC1b1), after the publication of the Plan. This took into account an updated job growth forecast from Experian of March 2014. This economic forecast resulted in a much higher figure for additional B class floorspace of nearly 228,000 sq m (Table 2.13). However, whilst being mindful that this new evidence may point to greater economic potential of the Borough, I largely accept the Council's reasons, summarised below, for not seeking to increase employment floorspace to match this new forecast.
48. Economic forecasts have a high degree of uncertainty and, in isolation, do not provide a robust basis for planning land use requirements. The floorspace projections based on this most recent forecast seem particularly out of step with a range of other forecasts and methods of assessing future floorspace needs (as illustrated in Table 3.9, reproduced in EC1c, p20). It is also preferable for economic forecasts to be based on the functional economic area rather than an individual district and the LEP/PUSH best reflect this approach.
49. In addition, the scale and type of new employment provision proposed in the Plan (not including the replacement floorspace) broadly aligns with what Eastleigh Borough is expected to deliver in the PUSH South Hampshire Strategy 2012 (90,000 sq m for manufacturing and distribution and only 2,000 sq m for offices - Policy 6, EBC/G7). That strategy envisaged substantial

office development in Southampton and Portsmouth, with notable large scale office and other B1 development also at: the new community north of Fareham, at Whiteley (Winchester District), Havant and Gosport. This strategy reflects a "city-first" priority and existing or emerging commitments at the time. Even if little weight were to be given to the 2012 Strategy as a policy document, the scale of provision envisaged in Policy 6 is now largely embedded in the adopted Core Strategies of other PUSH authorities and, in some places, is being taken forward in greater detail in local plans such as that for Welborne (the new community north of Fareham), currently at Examination. The key sites for economic development being targeted by the LEP with public financial support also largely reflect the PUSH strategy and these development plans.

50. Given that Eastleigh Borough is part of this wider functional economic area, if employment floorspace in Eastleigh Borough were to be substantially increased it could well undermine the delivery of these other sites for economic development. This would also undermine the wider strategies of which these employment sites form part. Such a potential consequence is highly undesirable.
51. This context is also why I am not persuaded by the desire of Hampshire Chamber of Commerce for more employment land to be allocated in this Plan, particularly land close to the motorway for offices or logistics. Offices are a use which should first be accommodated in town centres and this is reflected in the PUSH Strategy. I accept that demand for major office development in Southampton City appears weak, but such demand is only likely to be undermined further by greenfield allocations on the edge of the City in Eastleigh Borough. Development plans outside Eastleigh Borough appear to be making substantial provision for manufacturing and distribution/logistics close to the motorway to respond to the needs of these sectors within this economic area.
52. Accordingly, I consider that the scale of new employment floorspace is justified bearing in mind that: it is expressed as a minimum; there are further opportunities for intensification and redevelopment of existing employment premises supported by other policies in the Plan; and longer term opportunities may exist for additional employment development on parts of the Eastleigh Riverside allocations.
53. I am also satisfied on the basis of the Council's calculations (EBC/G12) that the proposed level of housing provision would provide more than enough workers to support employment development of the scale proposed in the Plan. Such calculations are however fraught with uncertainty and can only be a broad guide. The close economic relationship between Eastleigh Borough and adjoining parts of the economic area are reflected in high daily flows of residents to work outside the Borough and inflows of workers to Eastleigh from elsewhere. In these circumstances, I do not see a pressing need for job growth and population growth to necessarily be closely matched. Some increase in the overall housing requirement in the Plan arising from my conclusions in relation to affordable housing and market signals would not undermine the economic strategy for the area and may help to support it.

Overall conclusion on issue 1

54. I have found that the Council has failed to recognise the true scale of need for affordable housing. There is also the consequential failure to consider how that need might be addressed. The Framework (paragraph 17, 3rd bullet) requires every effort to be made to meet needs. I see no justification for delaying this consideration for 2-3 years pending a review of the Plan.
55. The Guidance states that: *an increase in the total housing figures included in the local plan should be considered where it could help deliver the required number of affordable homes.* Increasing market housing to meet all the identified affordable housing need would require a threefold increase in overall provision. I do not consider that this a realistic option to explore. In addition to the inevitable difficulties of securing delivery of such a scale of development, particularly in the short term and of providing sufficient infrastructure, such a scale of provision is much greater than even the most optimistic demographic projection. It would also result in the release back into the market of many dwellings in the PRS currently occupied by tenants in receipt of the LHA. Thus the cumulative effect of such provision over and above underlying demographic change would be very substantial and the consequences for the housing market are difficult to anticipate.
56. However, there is evidence which strongly suggests that some increase in delivery of market housing is achievable and could deliver a significant proportion of affordable housing. The developers of the major sites allocated in the Plan and included in the five year supply are keen to start delivering (see below) and where planning permission has not already been granted they are intending to submit planning applications very shortly. There is also clearly strong interest from other developers for additional housing sites to be allocated in the Plan and some of these appear likely also to be progressed as planning applications soon.
57. I have indicated that the PUSH SHMA's preferred projection (which equates to 615 dpa for Eastleigh) should not be ignored and that the demographic requirement is best seen as a range. I have also noted that on the basis of that projection, the Council calculates a shortfall in delivery in the HMA of about 750 dwellings to 2026. This background strongly indicates the opportunity for Eastleigh to deliver more housing with no adverse impact on delivery in the rest of the HMA. Market signals also point to both a need to provide more housing and the market's strength to do so.
58. If the Plan was being progressed, the Council would have to identify a possible range for what is practical in terms of increased delivery. That range would then have needed to be tested through Sustainability Appraisal in relation to the environmental impact of development on various sites in order to identify the appropriate requirement to be included in the Plan. I note that the *Sustainability Appraisal (EBC/G2)* submitted with the Plan includes in Appendix II an assessment of alternative growth options including 11,628-12,060 dwellings, which had been assessed in the SA accompanying the draft Plan published in October 2013. Whilst that assessment concluded that this higher level of growth would be *difficult to accommodate without threatening the environmental integrity of the Borough* it is difficult to understand the evidential basis for that conclusion. Equally importantly, that testing did not

weigh in the balance the substantial unmet need for affordable housing. Paragraph 14 of the Framework requires an explicit balancing exercise in the terms it sets out. This has not been done on the basis of the most appropriate and up to date evidence.

Issue 2 – Would the plan ensure an adequate supply of housing land to meet identified needs.

59. A housing trajectory is included as an Appendix to the Plan. Table 2 in the Plan sets out expected delivery of housing by Parish from different categories of supply: completions, specific urban sites, broad areas (also urban); and greenfield allocations. The figures in the Plan are now out of date. More detail on the sites and sources contributing to these categories is in the Strategic Housing Land Availability Assessment (SHLAA) (EBC/G4 July 2014) which updates the position to 1 April 2014. Detail on how the Council has been calculating the five year supply and a trajectory for the delivery of the allocated sites is in the Council's paper: *Five Year Land Supply Position/Housing Implementation Strategy September 2014* (H15). For sites allocated in the Plan a year-by-year trajectory for the first five years is included as an Appendix to the Council's pre-hearing statement on this matter. I comment below only on those sources of supply where I consider that the Council's approach is not justified.
60. The category of *broad areas* includes additional dwellings from the redevelopment of sites in Eastleigh town centre and three district centres: Fair Oak, Hedge End and West End. The total supply relied on by the Council from these sources is 300 for the former and 226 for the latter group. None of this supply is included in the five year supply calculation (SHLAA, EBC/G4 paragraph 4.38 and Table 4.8). More detail on these centres is in SHLAA Appendices 7 and 8. In relation to Eastleigh town centre, the SHLAA refers to the challenge to be overcome, including a degree of inertia demonstrated by the fact that private owners have been reluctant or unable to bring schemes forward, particularly within the central block, during the last 25 years. Given this context, the only evidence that there are reasonable prospects (the relevant test in the Framework, paragraph 47, Footnote 12) of some delivery coming forward here is the Council's ownership (or intended acquisition) of sites, given the Council's commitment to change in the town centre. Accordingly, delivery from sites 5, 6, 7, 8 in the table in Appendix 7 is justified (and does not need discounting), but not from any others. The supply is thus 137, not 300.
61. Similarly, the assessment of the supply from the three district centres is too focused on physical capacity rather than providing evidence of reasonable prospects. There is nothing to indicate why redevelopment, which was not triggered by the previous economic boom, will happen in the future. The need for land assembly or the existing nature of the premises on some of the sites suggests that delivery is very uncertain. Rather than assess each parcel individually, I have increased the Council's discount on delivery from 25% to 50% to be more realistic. Supply thus falls from 226 to about 150.
62. The Council acknowledges (hearing statement, 3.9-3.10) the potential for overlap between the site-size threshold in the SHLAA of 0.2 ha (which might be for less than 10 dwellings) and the calculation of the small site windfall

allowance of less than 10 dwellings and identifies three such sites. Once the Council's discount is applied, the assumed contribution to supply appears very small, but for accuracy should be removed.

63. The Council has included small site windfalls in years 3-5 of the five year supply and from year six onwards. The inclusion of the contribution from windfalls from year three is justified given the Council's evidence on the time within which planning permissions are normally implemented and thus avoids double counting. A 10% discount is applied to the average past supply of small site windfalls. Given that there is no change in the policies in the submitted Plan compared with policies in the adopted Plan, this continuation is realistic in the short term. However, to reflect uncertainty and the possibility of fewer such sites in the future, I consider that from year six the discount should be increased to 25%.
64. Contrary to the definition of windfalls in the Framework, the Council had included garden land sites in the windfall assessment for years 6-15. These should be removed (amounting to eight dwellings pa). The Council needs to recalculate the windfall contribution for years 6-15 taking into account the above two points, but it is likely to reduce the assumed 700 to about 520.
65. The Council calculated that at 30 September 2014 there was a total supply of 10,746 dwellings, including the Hamble Lane appeal site (see Council's hearing statement on this matter, EBC/4/3, Appendix 3). In the light of the required reductions, the supply figure is about 10,200, only marginally above the overall requirement identified in the Plan. This is not a robust position. But in any case, I have identified a need for a higher housing requirement and there is not an identified supply to meet any such higher figure.
66. For completeness, I consider below the five year supply position based on the housing requirement identified in the Plan. The five year supply is primarily dependent on whether the anticipated start date and expected annual rate of delivery from the allocated greenfield sites is justified. In general, the Council is showing a clear commitment to working effectively and speedily with landowners/developers to progress planning applications on allocated sites and to encourage speedy commencement (through various conditions). Accordingly, background evidence on the slow delivery of strategic sites elsewhere in the country is not particularly relevant.
67. There is conflicting evidence about delivery rates. Developer interests put the rate at between 40-60 dwellings per site per developer, including the delivery of affordable housing. The Council highlights three large sites in Eastleigh Borough where delivery, including during the recession, was much higher. It thus considers that its assumption of 150 dwellings per annum on the three largest allocations with two developers is reasonable. There is clearly considerable uncertainty about market conditions in the future and what developers will want to achieve from their sites. The landowners and promoters of the three largest allocations in the Plan were at the hearing for this matter and I have given particular weight to their estimates for delivery.
68. Allocation BO1 Boorley Green has planning permission. The landowner confirms there are now three developers committed to this scheme who expect to start on site in October 2015. I consider that the Council's

expectation of 35 units within 2015/16 is rather tight and thus uncertain, but given the three developers involved, the 150 units for each of the following three years is reasonable.

69. Three different owners control the land making up site E1 land south of Chestnut Avenue, Eastleigh. A planning application was expected to be submitted in January 2015. The Council anticipates 50 units in 2016/17 then 100 units each year. The representative of one of the landowners considers that delivery will start a year later than the Council expects, but agrees with the same stepped increase in delivery thereafter. Adopting this later start would be more robust given the complexities of the site, the requirements of the allocation policy and the three landowners. Somewhat confusingly, for sites without planning permission such as E1, the Council discounts its figures in the trajectory by 25% before inclusion in the calculation of the housing supply (H15 paragraph 5.22, table after 5.28 and 7.1). Pushing back delivery by a year would give a robust figure (which does not need any discount) and thus results in only a small reduction in the contribution of this site to Council's five year supply figure (of about 40 dwellings.)
70. The promoter of site WE1, land west and south of Horton Heath, indicated that a planning application would be submitted by December 2014. This would be progressed in accordance with a performance agreement with the Council. The masterplan envisages two distinct residential areas and thus it is logical to assume two different developers. A new secondary school forms part of this allocation and the County Council requires this to be available by September 2018. This is clearly providing an impetus to progress the development quickly. A start on site mid-2016 seems realistic and the developer envisages 30 units per outlet in the first year to March 2017 (the Council assumes none). Subsequently, the developer estimates 60 units per outlet per year, not as much as the 155/160 units per year in the Council's trajectory. But as this site is without planning permission, the Council's housing supply calculation discounts the figures in the trajectory by 25%. Thus the Council's discounted delivery rate is cautious compared with the developer's and is robust.
71. On some other allocated sites, I consider that delivery might be delayed by a year compared with Council's assumptions, but still take place within five years, thus not reducing overall supply in this period.
72. In the three years since the base date of the Plan (2011), less than the Plan's average of 564 dpa has been delivered. The shortfall to 30 September 2014 is 790 homes (H15, 4.14). The Guidance states that Councils should aim to deal with any undersupply within the first five years of the plan where possible. Where this cannot be met they will need to work with neighbouring authorities under the Duty to Co-operate. The Council considers that the undersupply should be made-up over more than five years and to do otherwise is unrealistic. It cites the on-going effects of the recent recession; shortages of materials and skills; and the cycle of local plan production, resulting in previously allocated sites having been built out. However, in publishing the Guidance last year the Government would have been mindful of national circumstances in the house-building industry. The delay in having an up-to-date local plan is the Council's responsibility and does not justify delay in making good the shortfall. I have seen no evidence that it is not possible to achieve the preferred approach of the Guidance. Accordingly, on the basis of

the submitted Plan and current evidence, the shortfall should be made up in the first five years (the "Sedgefield" method).

73. I recognise that if the housing requirement were to be increased to help deliver more affordable housing, the shortfall would be greater and there would be a need to deliver even more in the first five years. Whether in that scenario such increased delivery would be possible would need to be considered in the light of the evidence at the time. The Council should have regard to the totality of the Guidance on this matter.
74. The Framework (paragraph 47) requires a buffer to be added to the five year supply of 5% or 20% where there has been persistent under delivery of the housing requirement. The assessment of past delivery needs to be considered over at least a 10 year period so as to cover a full economic cycle. In addition, as none of the plans required a specific target to be met each year, it is appropriate to consider delivery not just on an annual basis but over a whole plan period or phase if this is possible, so as to better iron-out ups and downs in delivery. In this case the adopted Local Plan Review covers the period 2001-2011 and so total delivery during this period can be compared with the overall requirement.
75. The Council has set out the past requirements and delivery from 2001-2 based on the Hampshire Structure Plan (421pa), the adopted Local Plan (561pa, excluding the reserve sites), and the South East Plan (SEP) (354 dpa). For the period 2001-2006 I consider that the requirement is that set out in the adopted Local Plan as this was adopted after the Structure Plan and reinterpreted that Plan's requirements, whilst remaining in conformity with it (see the complex explanation of the housing figures in the adopted Plan at 5.2-5.4, 5.10-5.18).
76. I requested a post-hearing note from the Council on the interpretation of the requirements of the SEP. Participants were given the opportunity to comment on the Council's interpretation and I have taken into account all relevant comments. The Council considers that the requirement during the period 2006-2013 (when the SEP was finally revoked) should be 354 pa, as a result of excluding any requirement arising from the Strategic Development Area (SDA) for 6,000 dwellings proposed for north/north east of Hedge End. Policy SH5 of the SEP sets out the annual average for the districts of South Hampshire and the SDAs over the period 2006-2026. For the Hedge End SDA the figure is 300 dpa implying an expected even supply from 2006. For this reason, developer interests consider that this figure should be added to the figure for Eastleigh Borough to create an overall requirement of 654 pa from 2006. The Council highlight that SEP Policy SH1 and supporting text 16.5 makes clear that delivery from the SDA was not expected to occur until 2016 (because of the required long lead-in to get development underway). There is clearly a tension in these different policies which makes their proper interpretation difficult for the exercise here.
77. It is important to bear in mind that the Framework's requirement for a 20% buffer is intended to assist delivery where Councils have experienced difficulty in the past delivering what they planned to deliver. Given the context in which the SEP was approved (recognising, as it did, that it was not meeting all housing needs in the South East), it would be perverse if the requirements of

the SEP were to be interpreted for the purpose of this exercise as setting a housing requirement substantially below what was required at the time in the adopted Local Plan. That Plan had been adopted as recently as May 2006 and, until 2009 when the SEP was actually approved, the Council could not have been certain of what the requirement in the SEP would be. The Local Plan reflected what the Council thought it could deliver during this time and there is no suggestion that once the SEP was published the Local Plan was abandoned. I therefore consider that it would be fair and more relevant to the issue at hand to test delivery against the requirement of the Local Plan (561 dpa) rather than either of the interpretations of the SEP (354 dpa or 654 dpa).

78. For the 10 year period 2001-2011 the Local Plan's annual average was met in only two years and overall delivery fell well short of the required total. This is clear evidence of persistent under delivery. I have already noted that there has been under delivery since 2011 of the requirement identified in the submitted Plan. (Even if the lower requirement in the first draft of this Plan is used, delivery fell short, see footnote 8 in the Council's pre-hearing statement EBC/4/3). If the last years of the adopted Local Plan are replaced with the Council's preferred figure from the SEP, then delivery would have been met in 2009-2011, but in my view that is not sufficient to tip the overall balance to adequate delivery, given the shortfall before and since. Accordingly, I consider that a 20% buffer is currently required as part of the five year land supply calculation. Although there was a shortfall in delivery under the adopted Local Plan, I consider that the PUSH SHMA and the adjustments required as a result of my conclusions under issue 1 above represent a comprehensive new starting point for the assessment of needs from 2011 and so I do not add this backlog to the new requirement.
79. With a 20% buffer and making up the shortfall since 2011 within five years (the "Sedgefield" method), the Council calculates that there is only a 4.37 years supply (H15, Table after 5.30) in relation to the requirement set out in the submitted Local Plan. (There are small downward adjustments to be made to delivery from sites BO1 and E1, but these might be offset by better than projected delivery on WE1.) Accordingly, irrespective of the need to look to increase the overall requirement for the other reasons I have given, there is a need to boost the five year supply. From the evidence before me, I cannot see how the Council would be able to bring forward supply from later in the plan period and so the necessary boost is likely to require additional allocations which are capable of rapid delivery.
80. The overall supply position over the whole plan period is equally tight. This is not a robust position to take the Plan forward. There is no realistic flexibility in the Plan to respond to changing circumstances. It is important to ensure that any small delay in assumed delivery from sites contributing to the five year supply does not too easily result in a less than five year supply being available. The Plan needs to provide confidence that there will a five year supply at adoption and in future years.
81. There might be some large windfall sites in the future, but given that the SHLAA appears to have been very comprehensive in its search for sites this is too uncertain to be relied on as providing flexibility. The major greenfield sites included in the five year supply are being delivered as quickly as possible and there is nothing more that the Council can do to bring this delivery forward.

The largest allocated sites expected to commence beyond the five year period (eg BO2 and HE1) are owned, or mainly owned, by the County Council which does not wish to bring the land forward any earlier. Accordingly, the Council has no means of increasing supply if there is a problem, other than through a Plan review which is time consuming. Accordingly, the Plan needs to demonstrate that it has some flexibility to respond to changing circumstances.

Overall conclusion on issue 2

82. Even on the basis of the housing requirement identified in the submitted Plan, the land supply is inadequate because there is not sufficient flexibility to respond to changing circumstances and because the supply in the first five years needs to be increased. With the identified need for greater housing provision, the land supply will need to be increased even further.

Assessment of Legal Compliance

83. This report is based on a limited number of hearings. In the light of my adverse *Preliminary Conclusions*, I cancelled the hearings that were due to take place in January 2015 on, among other matters, site allocations. Those hearings would have taken into account representations in relation to the site assessment and selection process set out in the *Sustainability Appraisal* (EBC/G2) accompanying the submitted plan. I am therefore unable to come to any formal conclusion on the adequacy of the Sustainability Appraisal in this report.
84. For similar reasons, I am not able to come to a formal, final conclusion on the Duty to Co-operate. Some representations concerning this matter relate to infrastructure provision, which would have been heard at the later hearings. The Council has explained in its *Statement of Compliance with the Duty to Co-operate* (EBC/Subn5) why it considers that the Duty has been met. For the reasons set out under issue 1 above, I consider that the Council met the Duty in relation to strategic housing and employment matters because of its involvement with PUSH and willingness to take forward the South Hampshire Strategy 2012.
85. The following three paragraphs reproduce the relevant parts of my conclusions on the Council's Habitats Regulations Assessment (HRA) which I set out in my *Post Hearing Note 3 - Other Matters ID/5*.
86. The site-specific mitigation measures taken into account in screening-out potential significant effects which might arise from various allocations (see *Habitats Regulations Screening Report* EBC/GI10, 4.6.5/4.6.6 and 5.6.9-5.6.13) should be included in the policy requirements of the allocations concerned, even though an application-stage HRA would still be required as is already noted in the text of the Plan. This is to ensure that the general scope of the likely mitigation measures is made clear and that there is a complementarity between the HRA and the proposals/requirements in the Plan which the HRA is assessing. I note the necessary importance of retaining some flexibility in the scope and design of mitigation measures pending the application-level HRAs. Accordingly, I consider that changes along the lines of Option 2 of the Council's suggested alternatives would have been appropriate

if the Plan was being progressed (EBC/8, Appendix 1).

87. The *Screening Report* (8.4.7) highlights the Forest Park and its linkage to Lakeside Country Park as an important element of the required mitigation in relation to the New Forest Special Area of Conservation and Special Protection Area. Policy E1 requires financial contributions to the Forest Park and an extension to Lakeside Country Park. But the Forest Park is largely outside the Borough boundary and its delivery is not directly within the control of the Council or developer. Test Valley Borough Council's *Forest Park Implementation Framework* October 2014 (GI14) includes Home Wood as part of the proposals for phase 1 in 2014-2019. Home Wood is adjacent to allocation E1, so there is a reasonable degree of alignment between the expectation to deliver part of the Forest Park and delivery of E1.
88. In order to meet the assumptions of the HRA, it is essential that the Plan highlights the purpose of the financial contribution to the Forest Park/Lakeside in relation to mitigation. It must also require alternative mitigation measures if an appropriate element of the Forest Park (eg Home Wood) has not been delivered in a timely manner in relation to the development of E1. Any such alternative mitigation must be of a suitable scale, quality and accessibility to achieve its purpose and its delivery closely linked to progress on the residential development. Accordingly, some additional wording along these lines would have been required in addition to the Council's suggestion in EBC/9, but would not need to be as specific as that suggested by Hampshire Wildlife Trust.
89. My conclusions regarding compliance on other legal requirements are summarised below.

LEGAL REQUIREMENTS	
Local Development Scheme (LDS)	The Local Plan is identified within the approved LDS June 2014 (EBC/Subn 9). The Local Plan's content and timing to date are compliant with the LDS, although it will no longer be adopted.
Statement of Community Involvement (SCI) and relevant regulations	The SCI (EBC/Subn 8) was adopted in September 2013 and consultation has been compliant with the requirements therein.
Sustainable Community Strategy (SCS)	Satisfactory regard has been paid to the SCS.
Public Sector Equality Duty (PSED)	The Local Plan complies with the Duty (see G5 and the Council's hearing statement on Gypsies, Travellers and Travelling Showpeople).
2004 Act (as amended) and 2012 Regulations.	The Local Plan complies with the Act and the Regulations.

Overall Conclusion and Recommendation

- 90. My Examination of this Plan has been limited to matters mainly relating to the housing need, the housing requirement and housing supply. I have identified a number of deficiencies for the reasons set out. The unsoundness I have identified is sufficient on its own for me**

to recommend non-adoption of the Plan in accordance with Section 20(7A) of the 2004 Act.

Simon Emerson

Inspector