

# Eastleigh Homes

## Corporate Housing Policy Statement

Helping to deliver more of the right homes



**SUPPORTING  
COMMUNITIES**

**IMPROVING  
LIVES**

**EASTLEIGH**  
BOROUGH COUNCIL

Updated March 2025



## Summary

**This document has been prepared to help the Council develop action plans, agree priorities and make decisions, to meet its longer-term objective of increasing the provision of the right type of new homes in the Borough.**

Housebuilding is increasingly recognised as a key driver of economic growth in the southeast, as it boosts jobs, secures investment in all types of infrastructure, generates tax revenue and means new affordable homes are built.

To support our aim of sustaining the Borough's prosperity, this document is about tackling a backlog of undersupply of new housing and delivering new homes to address local unmet needs. This supports our vision of developing a strong and sustainable economy that supports improved standards of living for residents in Eastleigh Borough.

This document explains in more detail not just what we want to achieve, but how we will achieve this in the context of housing delivery, including how we will measure success.

The Council is becoming a stock-holding authority and is committed to increasing the supply of high-quality housing for the community across all tenures (including homeownership and renting). The council is also a housing delivery enabler and takes responsibility for making development happen in the area and this document sets out our strategy for delivery.

The main outcome measure is the number of additional homes. Through innovation, ambition and a clear

programme, we will work to ensure at least 729 new homes are delivered each year (as identified in our adopted Local Plan). The emerging Local Plan Review will set a new requirement, taking account of the Government's new higher target of 922 new homes per annum<sup>1</sup>, unmet needs from the wider area, the importance of protecting the environment/countryside and providing new infrastructure to enhance the Borough as a place. Government policy explains we should also meet the housing targets unless there are strong reasons not to.

Our strategy is to work across our services, and with strategic partners, to deliver a housing programme. The programme will ensure we maximise our ability as a local authority to enable housing delivery, and support delivery of sites to maintain five years' worth of housing land.

Where there are opportunities to secure infrastructure, get the best outcomes for communities, or boost housebuilding where the market is not able to deliver, we will seek to intervene and support. Such approaches will enable us to be more in control of housing provision and not left waiting for the private sector to implement their development schemes.

This document is a living document which will be monitored and reviewed as we continually measure our performance. As new insight continues to emerge, alongside new opportunities and different challenges, we will check whether this document is still fit for purpose, and the approach to intervention is helping us to better meet local housing needs.

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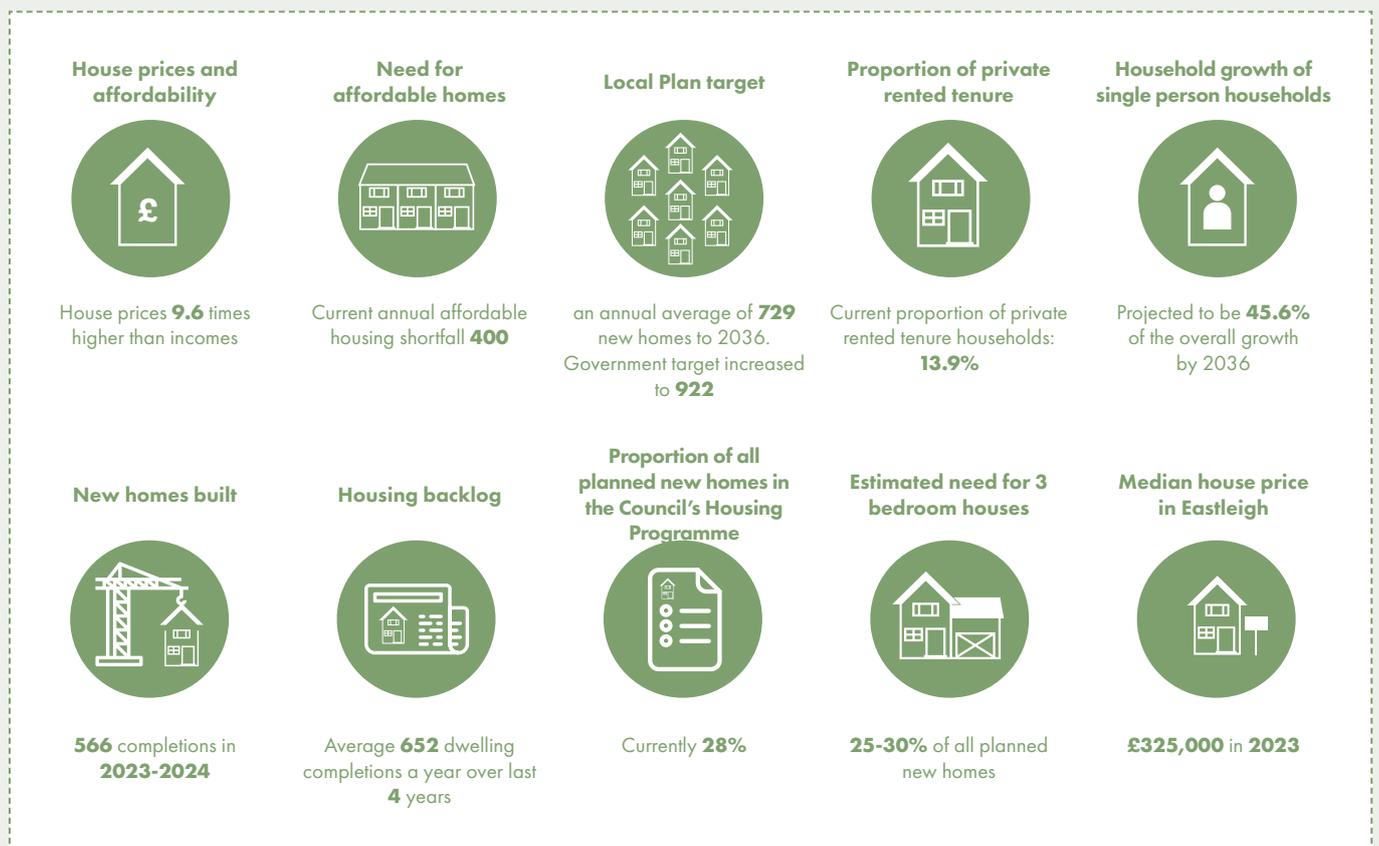
1 New Government Standard Method

# The vision for intervening in local housing delivery

Our vision is to create homes and communities in the Borough to meet residents' current needs and support population and economic growth. To help support a buoyant housing market, it is essential that there is a sufficient supply of suitable, high-quality homes that can meet the diverse needs of residents both now and in the future. Building new homes provides opportunities for people looking for affordable rent, or a new home to meet their changing needs.

The Corporate Plan 2023-26 sets our commitment towards 'Creating homes and communities' and achieving a sufficient supply of suitable, quality homes. We've made the strategic decision to intervene in housing delivery, through a dedicated housing delivery programme. Our intervention allows us to tackle unimplemented planning consents, realise the added benefits of upfront infrastructure provision, and improve conventional build out rates.

## Housing delivery - where are we now?



# Housing delivery – strengths, disadvantages, opportunities and challenges

Strengths	Disadvantages
<ul style="list-style-type: none"> <li>▶ We adopted our Local Plan for 2016-36 in 2022.</li> <li>▶ Housebuilding and the number of housing completions, although variable, has been gradually picking up over the last few years.</li> <li>▶ The Council is becoming a stock-holding authority and at One Horton Heath, is currently developing the first phase, Lower Acre, with 381 homes.</li> <li>▶ The Council is part of several Joint Venture Partnerships, a collaborative development project between Eastleigh Borough Council and private sector partners which focuses on housing development, providing high quality homes, boosting the local economy, and addressing community needs.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Slowdown in housebuilding following the Covid-19 pandemic.</li> <li>▶ Major housebuilders typically operate a standard delivery model, and this is linked to the house buying market, the availability of finance and return on capital.</li> <li>▶ Risk associated with relying solely on the market to deliver much needed new homes.</li> </ul>
Opportunities	Challenges
<ul style="list-style-type: none"> <li>▶ The Government is committed to getting the country building again and ‘fixing the broken housing market’: the new Government in July 2024 pledged to build 1.5 million new homes in this Parliament.</li> <li>▶ Home-ownership continues as an aspiration for most.</li> <li>▶ Local Government is increasingly playing a role in diversifying the housebuilding market - in many cases maximising its position as landowner, regulator and the ability to access finance.</li> <li>▶ Able to secure loans from the Public Work Loans Board to fund capital investment.</li> <li>▶ Learning from other Councils as more engage in housing activity.</li> <li>▶ Increase funding from Government and Homes England.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Complex problem - many factors have been cited for delaying developers in the implementation of their schemes.</li> <li>▶ Affordability - the gaps between landowners, developers and the cost of housing and household incomes continues to increase.</li> <li>▶ Ageing population and changing accommodation needs.</li> <li>▶ Increasingly difficult for a significant proportion of the community, especially young people, to find suitable housing which they can afford.</li> <li>▶ Probability of future market downturn(s) - Council investments need to take account of the cyclical nature of the market in assessing risk.</li> <li>▶ Local Government Reorganisation could present an opportunity to further Local Authority housebuilding.</li> </ul>



## Affordability

Whether buying or renting, housing is increasingly unaffordable for many. In Britain the average house costs almost eight times the average earnings. In Eastleigh Borough house prices are 9.6 times higher than incomes. Whilst mortgage lenders are keen to attract business from first-time buyers, affordability criteria remain tight as indicated by a recent fall in mortgage approvals.

The number of affordable dwellings delivered in the Borough each year has varied, but an assessment of need undertaken in 2024 revealed a need in future for 400 new affordable dwellings per year (2016-2036). Government funding and support is therefore needed for the delivery of affordable homes of all tenures for people on low and modest incomes.

High house prices in the Borough have also contributed to an increase in the number of applicants on the Council's Homechoice register (in October 2024 the number was 2,743, an increase of 743 from January 2018). Register data suggests the greatest demand is for 1 and 2 bedroom properties – and smaller units are by their nature cheaper to buy or rent, and also more affordable in terms of running costs.

## Population growth

The population of the Borough is likely to increase from 138,500 persons in 2024 to 146,900 by 2036 with the highest growth in the over 65yrs+ age group.

Whilst most in this age range will already live in the area, and many will not move from their current homes, those who do move home are likely to be looking for suitable housing, including downsizing opportunities or Extra Care housing. It is important therefore that the delivery of specific schemes for specialist older persons housing are considered in partnership with other agencies, in particular those responsible for senior and older person support needs.

# Where do we want to be?

We will know our strategic approach to delivery is being effective when the following outcomes are achieved:

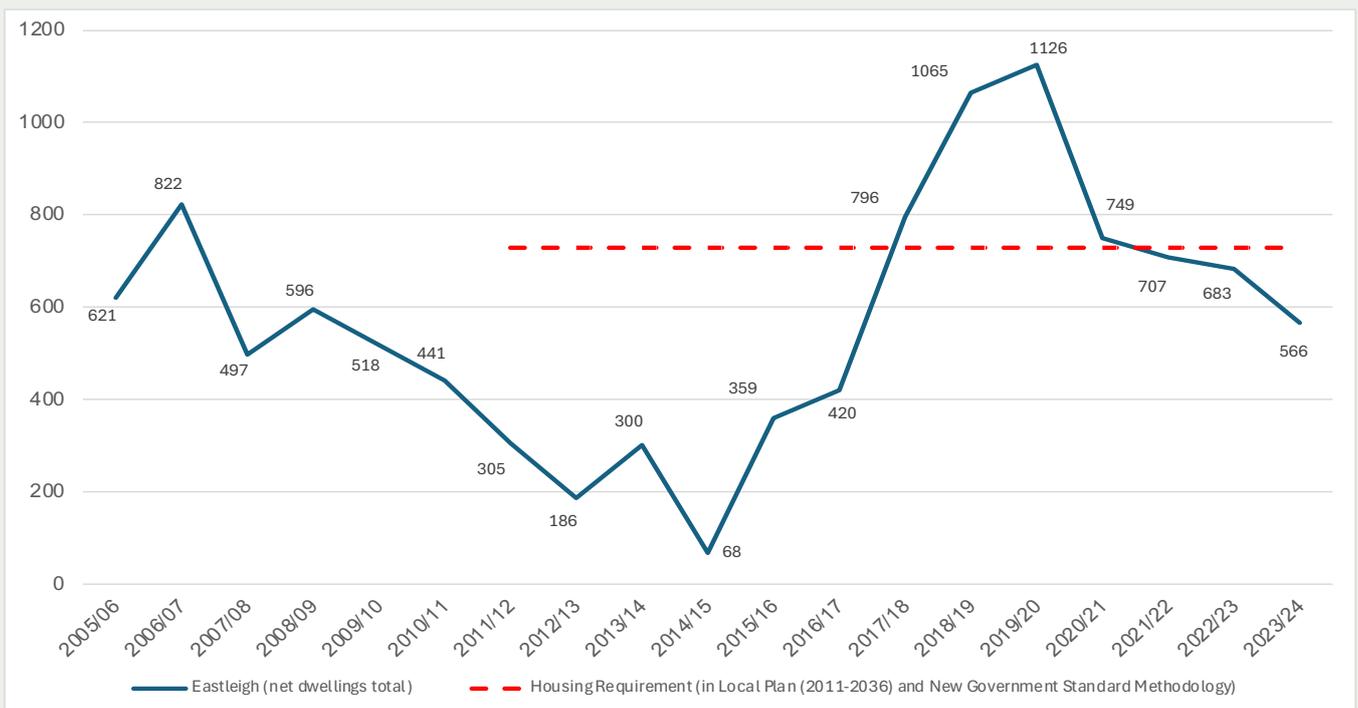
- ▶ reduced backlog and undersupply of housing.
- ▶ protecting against unsustainable speculative development.
- ▶ meeting demand for decent market rental homes with security of tenancy.
- ▶ economic aspirations achieved e.g., attract and retain workforce.
- ▶ improved affordability ratio for Borough residents;
- ▶ improved alignment between types of homes supplied and need (including improving options for older people); and
- ▶ securing high standards of new homes/ accessible homes.

To meet the above outcomes, and boost local housing delivery, the adopted Local Plan currently has a requirement to deliver 14,580 net additional dwellings from 2016-2036. The Council will consider, through the Local Plan Review, the New Government Standard Method figure of 922 dwellings per year along with any unmet needs from the wider housing market area, and the environmental / countryside characteristics and infrastructure needs of the Borough, in-order to set a new housing requirement. This is set out in more detail in the Local Plan Review Issues and Options consultation documents (December 2024).

The main outcome measure is number of net additional homes per annum. As shown below, the figure for 2023/24 was 566 dwellings.

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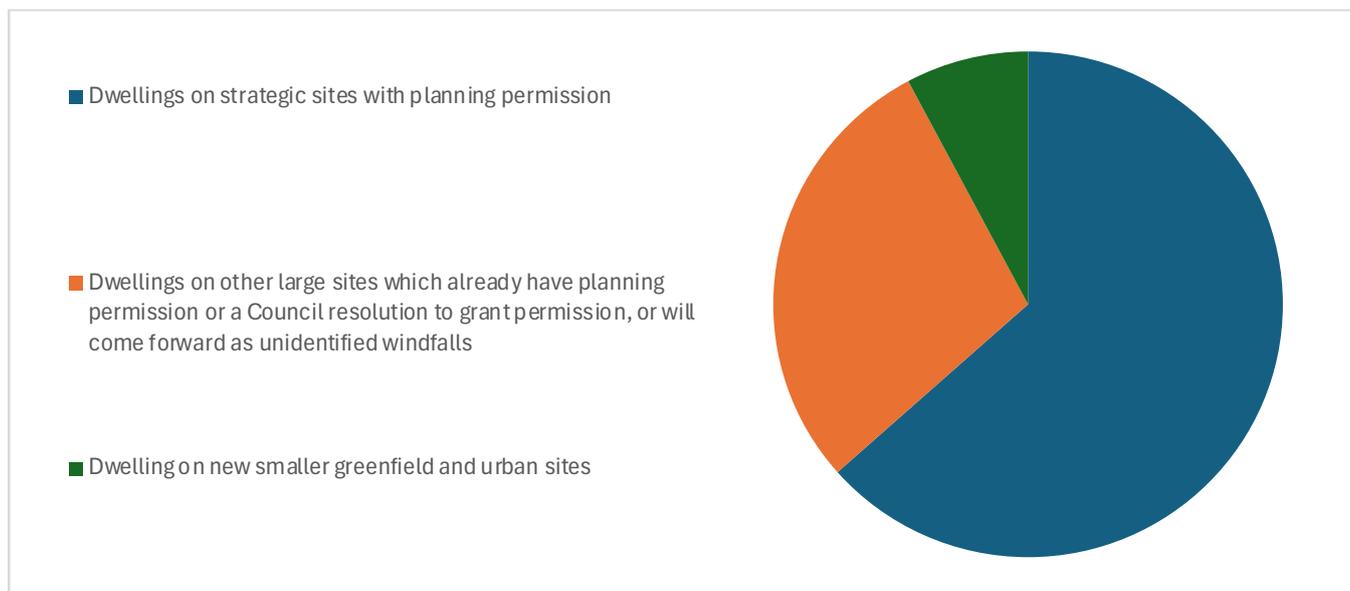
Figure 1 Net additional dwellings completed per annum in Eastleigh Borough 2005-2024 (Source: UK Government, net additional dwellings by local authority)



The Borough Council's overall approach is to focus new housing development within the existing urban areas. The adopted Local Plan includes the following supply (from 2019) in the form of a number of larger strategic sites, urban extensions and a number of smaller sites to meet more local needs:

- ▶ 5,960 dwellings on strategic sites with planning permission;
- ▶ 2,702 dwellings on other large sites which already have planning permission or a Council resolution to grant permission, or will come forward as unidentified windfalls; and
- ▶ 732 dwellings on new smaller greenfield and urban sites.

**Figure 2 Proposed mix of Development (Source: Eastleigh Borough Council Local Plan 2016-2036)**



The total supply (9,394 dwellings) falls short of the required 14,580 housing required dwellings over Local Plan period by a considerable margin (5,186 dwellings) however 2,572 of these dwellings were completed in the years 2016-2019 leaving an actual shortfall of 2,614 which primarily arose as a result of the Local Plan Examination Inspector's recommendation to delete a specific Strategic Growth Option.

As such, the Council has already commenced an update to the Local Plan to consider this shortfall as part of the Government's new higher housing targets, to ensure the appropriate number of homes are provided sustainably over the longer term, and to continue to protect us from 'hostile' unplanned development proposals. The Local Plan review's 'Issues and Options' documents set out the different options for how this might be achieved.



## Private Rented Sector (PRS)

Local authorities have an important enabling and regulatory role in ensuring that the private rented sector helps to meet housing need. Balancing good quality supply with demand will help to stabilise rents and encourage good quality management which will improve the reputation of the sector and encourage longer term lets and lower turnover.

This is a challenging task, and new partners and investors will be needed, however the Council is continuing with a target delivery of 100 dwellings per year.

In Eastleigh Borough, the balance between affordable rent and private rent has also changed significantly: almost one quarter of tenants rented privately in 1981 whereas almost half rented privately in 2024. It is recognised however that a certain proportion of households may prefer renting due to personal circumstances and would remain renters regardless of the options for ownership available to them.

Growth in the private rented sector also seems likely to continue, driven by a combination of demand and supply factors such as real term reduction in incomes, changing bank lending practices and reduction in the affordability of owner occupation.

## How will we achieve our aims?

Local authorities have a vital role in the planning, delivery and management of affordable homes. They acknowledge the need for a range of solutions to a long-term problem. There is no 'one size fits all' solution to unlocking housing sites faced with deliverability constraints. To meet our Corporate Plan objectives, we will work with others to:

- ▶ ensure there is a planned housing supply to meet residents' requirements for new housing in the Borough.
- ▶ encourage a mix of housing types, tenure and sizes through planning policies and partnership working; and
- ▶ intervene in the local housing market to accelerate delivery of new homes.

# Our strategic approach to accelerating delivery will involve:

## Planning to meet needs

1. Planning for sufficient market and affordable housing provision through the Local Plan.
  2. Continually working to identify housing requirements, demand and needs not being met by the private sector.
  3. Widening the tenure mix and choice of new homes to meet the needs of current residents, the growing population, and those seeking to move into the Borough.
  4. Seeking the maximum reasonable amount of affordable housing when negotiating on planning applications in accordance with planning policy targets.
  5. Making available market rented stock with more secure tenancy.
  6. Collaborating with the County Council and other partners on housing for older people.
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## Supporting and enabling

7. Providing confidence to developers that we will work collaboratively on good quality development proposals and assist in early commencement, where this achieves sustainable development and upfront infrastructure where possible.
  8. Taking a solution-oriented approach to converting consents into completions to help mitigate the sales risk by agreeing to purchase completed homes.
  9. Proactively seeking out new and additional sources of funding to accelerate housing delivery through bids to Government and other agencies.
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## Intervention activities

10. Monitoring stalled development sites and intervening where necessary to facilitate delivery where there is marginal viability e.g., act as financier.
  11. Developing and maintaining a fit for purpose housing delivery function within the Council or in partnership with the private sector.
  12. Developing a balanced programme of capital projects to deliver new homes delivered in partnership with Registered Providers and the private sector (see Housing Delivery Programme).
  13. Using surpluses generated from schemes to invest in less viable schemes.
  14. Investing in land in an enabling capacity to 'pump prime' funding of developments.
  15. Monitoring the regional and national context and being at the forefront of opportunities and anticipating new challenges associated with local housing delivery.
  16. Having an 'open door' policy to considering potential investors and development partners policy to considering potential investors and development partners (including Homes England); and encouraging new entrants into the industry to diversify sources of supply.
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## Our Housing Delivery Programme

The adopted Local Plan makes provision for the delivery of around 9,400 new homes - delivered by private sector housebuilders, Registered Providers and the Council. Around 28% of these new homes currently feature in our dedicated Housing Delivery Programme, where additional resources are committed to enabling commencement on these sites, rather than relying on the private sector. Over the next five years, the contribution that the sites which we will directly intervene in will represent approximately 30% of the annual overall completions.

Over time, this proportion needs to be monitored as part of the Housing Delivery Programme, to understand the impact that intervention is having on accelerating and boosting housing supply. This is already an ambitious target however, the time-lag between issuing of planning permissions and first completions also means the impact of intervention today will not be realised immediately.

To accelerate delivery towards and up to the Government's New Standard Methodology, we will intervene to enable quicker delivery of brownfield sites and other land allocated for housing. In terms of priorities, we will consider intervention based on the following (and in accordance with planning policy):

- ▶ Sites where delivery will meet the housing needs of those not eligible for affordable homes or able to afford market homes for rent (e.g., Private Rented Sector (PRS)).
- ▶ Sites where delivery would provide high quality affordable homes.
- ▶ Sites which can achieve accelerated construction.
- ▶ Sites where delivery will provide accommodation which meets older persons' needs.
- ▶ Sites where accelerated delivery would achieve wider community and infrastructure objectives.
- ▶ Sites where public sector investment would provide commercial return for the Council and contribute positively to the Council's property portfolio (e.g., long term rental income); and
- ▶ Schemes where intervention would ensure efficient use of sites-maximising yields within environmental limits (e.g., appropriate densities).





## Housing Landlord Service

Delivering the right housing in the right areas, for the right reasons, is a priority for the Council and as such, several housing functions are being integrated across wider Council services. A Housing Landlord Service has been established as a central point to coordinate the Council's new tenants.

A Housing & Estate Management Group has also been established to provide governance and oversight for the sales, lettings and management of the Council's new housing and associated assets.

## How will we know if we are successful?

Delivery activities will be carried out by several teams across the Council. The core activities will be captured in the Housing Delivery Programme plan. Key dependent activities such as the development management service, planning policy and master-planning future growth areas will be captured in the other operational plans and be delivered by relevant teams.

### **The main outcome measures for this strategic plan are:**

1. number of net additional homes per annum, in accordance with the Local Plan requirements;
2. preparation of the Eastleigh Borough Local Plan Review in accordance with the approved timetable; and
3. a well performing Housing Landlord Service (performance measures in service development but will include, for example, a low number of voids and low number of tenant complaints).

In addition, we will also monitor the size, type, tenure and quality of new homes to ensure other objectives are being met, plus demand for affordable homes (number of households registered on Hampshire Home Choice).



## Next steps - supporting documents

The Corporate Plan (2023-26) objectives of Creating homes and communities and increasing the provision and more diverse mix of housing will be supported by service planning and supporting strategies. To meet the strategic approach set out above, the following strategies will be prepared over the coming years:

- ▶ Eastleigh Borough Local Plan review to 2044 (currently being prepared). This will provide a trajectory and strategy for when, where and how these dwellings will be delivered. The Local Plan will give us control over where this new housing is and provide a framework to bring forward schemes.
- ▶ Eastleigh Homes – the right kind of developer for Eastleigh (also updated March 2025). This sets out in detail what we intend to build, for whom and how we will ensure that we deliver high quality homes in a cost-effective way. It sets our overall aims for the programme and what added value and initiatives our development programme can bring. The policy statement will form the framework against which to evaluate development opportunities and decide whether to proceed with a project.
- ▶ Housing Landlord Service housing policies (in development).