

Christchurch and East Dorset Core Strategy Examination

Statement submitted by Savills on behalf of the Canford Estate and Harry J Palmer Holdings Ltd on Matter 1: Overall Strategy

Respondent reference: 523532

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Matter 1: Overall Strategy

Issue 1. Do the CS vision and objectives set out a robust basis for tackling the key issues that have been identified?

- Do they reflect an objective assessment of alternatives?
- Is the CS Vision reference to 'reducing' unmet housing need consistent with national guidance in the NPPF?

1. On the whole the vision and objectives are considered a reasonable basis for tackling the key issues identified in the Core Strategy. They are locally specific and reflect the extensive consultation and engagement that has been undertaken over a 6 year period, including consideration of a range of alternatives. However, we have specific concerns regarding the detailed wording in the vision in relation to housing needs and alterations to Green Belt boundaries, as set out in our previous representations and summarised below.
2. The Vision as set out in the Options consultation included the wording '*The housing needs of the area will be addressed, ...*' The corresponding part of the Vision in the Pre-submission Core Strategy states '*The unmet housing needs of the area will be reduced, ...*' This change would appear to water down an important element of the plan, and is not reflective of the NPPF guidance to plan positively for development and to meet objectively assessed needs for market and affordable housing. A more appropriate wording is suggested as follows:

~~*The unmet housing needs of the area will be reduced*~~ *New homes will be provided to help meet housing need and demand, with housing delivered of a type and tenure which meets the aspirations of those wishing to buy or rent.*

3. The sixth paragraph in the Vision relating to the Green Belt introduces a level of subjectivity which does not reflect the clear need identified elsewhere in the plan to review Green Belt boundaries to allow for future growth. This could be addressed by amending the first line of the fourth paragraph of the Core Strategy Vision as follows:

~~*The Green Belt policy will be kept in place to protect the character of the area, subject to limited alterations to of boundaries to allow for some housing and employment growth to accommodate strategic site allocations and to help meet the needs of the local communities.*~~

Issue 4. Is the proposed quantum of housing development (KS3) justified by the evidence? Does it:

- take account of unmet housing need in adjacent districts?
- take account of up to date population data?
- allow for inward migration?
- take account of economic/employment growth?

4. The NPPF states that to boost significantly the supply of housing, local authorities should use their evidence base to ensure their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, as far as consistent with the policies set out in the NPPF, including identifying key sites which are critical to the delivery of the housing strategy over the plan period.
5. Policy KS3 proposes about 8,200 new homes in the plan area between 2013 and 2028, which equates to an annual provision of 547 dwellings per annum (dpa). This figure is marginally below the projected annual household change in the Bournemouth/Poole Housing Market Area 2011 Strategic Housing Market Assessment Update (SHMA), which shows at Figure 7.6 a projected annual household change of 555 households per annum for the period 2011 to 2031 across the plan area (219 households per annum for Christchurch and 336 households per annum for East Dorset).
6. The planned housing provision is marginally higher than the latest DCLG 2011-based household interim projections to 2021. These projections indicate growth of 516 households per annum across the plan area between 2011 and 2021 (table 406, <https://www.gov.uk/government/statistical-data-sets/live-tables-on-household-projections>). The 2011-based interim projections to 2021 indicate slightly lower household growth than the DCLG 2008-based household projections, which cover the whole of the plan period 2013-2028 and project a growth of 568 households per annum across the plan area.
7. Reference is also made in the submission Core Strategy to evidence prepared by Dorset County Council which suggests a need for 7,500 new market and affordable homes between 2013 and 2028. The DCC projections should be treated with a degree of caution as at the time of their preparation the 2011 ONS data had not been fully released and official mid-year estimates were not included in the projection; instead housing completions between 2002 and 2010 were used as a basis of levels of population growth between 2001 and 2011. The migration numbers included in the projections are described as 'experimental'. Reliance on the DCC projections rather

than the SHMA projections also raises difficulties in benchmarking overall housing provision across the HMA.

8. It can be seen from the above analysis that the proposed level of growth is broadly consistent with the evidence base in relation to the most up to date local and national household forecasts. These forecasts represent a projection forward of past demographic trends, including allowance for inward migration. The household projections should be considered alongside other indicators of housing need and demand such as affordability and economic/employment growth targets.
9. The affordability issues facing the area are recognised within the Core Strategy. The SHMA indicates at Figure 6.16 a total net annual housing need across the plan area of 758 households per annum (332 for Christchurch and 426 for East Dorset). This is an increase from the 2007 SHMA. Whilst the SHMA indicates that it would be unrealistic to meet this need in the current investment climate, the worsening affordability situation highlights the need for housing provision at or above the level indicated by the trend based forecasts.
10. The SHMA household forecasts make no attempt to reconcile housing provision with economic growth and employment aspirations. A particular feature of the population structure for Christchurch and East Dorset is the large older person population. This is forecast to grow substantially with an increase of 23% in the 60-74 age band and a 63% increase in the 75+ age group for East Dorset, with corresponding increases in Christchurch of 26% and 51% for these age groups. In contrast, the working age population in East Dorset is predicted to decline, which working age population in Christchurch remaining static (figures 7.7 and 7.8 of the SHMA). This raises the risk that the area may face a labour shortage later in the plan period which would have implications for economic growth and travel patterns.
11. Additional factors that need to be taken into account in establishing the housing provision include unmet needs arising from adjoining authorities, any previous backlog, and an allowance for vacancy rates and second homes.
12. In setting the housing provision for the plan period from 2013, consideration needs to be given to the backlog in housing provision arising on the expiry of the adopted Local Plan period in 2011 and the Core Strategy coming in to force from 2013. Housing completions totalled 165 dwellings for 2011/12 (62 in Christchurch and 103 in East

Dorset) and 134 dwellings for 2012/13 (71 Christchurch and 63 East Dorset), against and estimated annual household growth of 555 (SHMA), suggesting a deficit of 811 homes.

13. In relation to unmet need arising from adjacent districts, there appears to be a good degree of co-operation between Dorset local authorities on cross boundary issues, including the preparation of joint evidence base studies such as the Strategic Housing Market Assessment and its recent update. Local Plans across the HMA are at differing stages of preparation, and whilst it remains to be demonstrated whether the overall provision will meet forecast needs, it would appear that the emerging plans are largely in-line with the target. The commitment to meeting the housing provision in the SHMA has been sufficient to demonstrate to the Planning Inspectorate's satisfaction that the Duty to Co-operate has been met at the recent Core Strategy examinations for Bournemouth and Purbeck, albeit with a requirement for both authorities to undertake an early review of housing provision.
14. In summary, the proposed level of housing provision is broadly in line with the latest household growth projections. Other factors such as affordability of housing in the area, economic/employment growth considerations, backlog of provision against need, and an appropriate allowance for vacancy rates and second homes indicate that the proposed level of housing provision should be considered a minimum.
15. The following change to Policy KS3 is therefore suggested:

About At least 8,200 new homes will be provided in the plan area between the years 2013 and 2028. This will comprise up to 4,800 homes within the existing urban areas and at least a further 3,400 homes to be provided as new neighbourhoods at ...'

Issue 5. Should the housing provision:

- **allow 10% for vacancy rates and second homes?**
- **provide a separate target for each Council area?**

16. An allowance for vacancy rates and second homes in the housing provision is appropriate to take account of the functioning of the housing market in the area. The SHMA recommends an allowance of 2%-3% for vacancy rates in converting projected household growth into housing requirements. Second homes are also a feature of the housing market in Dorset, with 2011 census data indicating that second homes account

for 3.3% of the housing stock in Christchurch and 0.7% in East Dorset. An allowance of 3.5% – 5% would therefore reflect local circumstances across the plan area, and could be accommodated by expressing targets for housing provision in the plan as a minimum, as set out in our response to Issue 4.

17. A joint housing target for East Dorset and Christchurch is considered appropriate for a plan that has been jointly prepared between the two authorities. Housing provision is a strategic issue across the two authorities and for the wider HMA, it has been addressed jointly by the two authorities in a manner consistent with paragraphs 178 – 181 of the NPPF.

Issue 8. Is the need for housing to be located outside the urban areas/ in the green belt justified by the SHLAA and other evidence?

18. It is clear from the evidence provided by the SHMA, SHLAA and other supporting documents that objectively assessed housing needs cannot be met within the urban area. There are limited opportunities to accommodate development in a sustainable manner beyond the green belt; the most sustainable option to meet identified needs is the expansion of the existing urban area. The exceptional circumstances to justify a review of green belt boundaries through the review of the Local Plan have clearly been demonstrated.

19. The Submission Core Strategy suggests there is capacity to build approximately 2,800 new homes in the urban areas in East Dorset and 2,140 in Christchurch over the plan period. This would equate to 186 dwellings per annum in East Dorset and 143 dwellings per annum in Christchurch. These sites are predominantly non-allocated previously developed 'windfall' sites and garden land.

20. Housing development within East Dorset and Christchurch in recent years has focused on 'windfall' sites within the urban area as the previous housing allocations in the adopted (expired) Local Plan have largely been completed. Recent housing completions rates therefore provide a good benchmark against which the projection for the capacity of the urban areas to accommodate new development can be measured. Housing completions in the five year period 2008/09 to 2012/13 have averaged 103dpa in East Dorset and 88dpa in Christchurch.

Table 1: Housing completions in Christchurch and East Dorset over the last 5 years

| Local Authority | 08/09 | 09/10 | 10/11 | 11/12 | 12/13 |
|-----------------|-------|-------|-------|-------|-------|
| Christchurch | 101 | 102 | 103 | 62 | 71 |
| East Dorset | 116 | 70 | 157 | 107 | 63 |

21. Comparison of the estimated capacity for the urban areas with housing completions over the last five years suggests that the capacity for the urban areas to accommodate new development indicated in the Core Strategy is likely to be an over-estimate. The level of development suggested in the urban areas will be difficult to achieve without significant policy intervention or improvements to market conditions and viability of development. This reinforces the need to allow for expansion of the existing urban areas to meet housing needs.

22. The East Dorset SHLAA Base Date 1 April 2012 (published March 2013) states a deliverable supply in the 5 years between 2012 and 2017 of 1,373 dwellings. This is considered an unrealistic and untenable position; existing planning permissions at the base date for the study only account for 683 dwellings. We have serious concerns over the deliverability of the remaining sites identified within the 5 year land supply in the SHLAA. These include numerous backland garden plots in multiple ownerships which are not currently available and where there is no realistic prospect of development. Sites without consent or allocation should not be included in the 5 year supply unless they can be considered deliverable in line with the guidance provided by the NPPF para 47 footnote 11, which states:

To be considered deliverable, sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years and in particular that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units or sites have long term phasing plans.

23. The SHLAA also identifies potential for 1,664 dwellings in the period 2017 – 2027. Again this figure includes numerous backland garden plots and sites in multiple

ownership where there is no realistic prospect that they will be available or viable within the timeframe proposed. This level of development on windfall sites is not backed up by evidence on historic rates. Many of these sites are not considered deliverable in line with the guidance provided by the NPPF para 47 footnote 11, which states:

To be considered developable, sites should be in a suitable location for housing development and there should be a reasonable prospect that the site is available and could be viably developed at the point envisaged.

24. The SHLAA is inconsistent with the Housing Trajectory (SD27, March 2013) and the Housing Supply, Housing Trajectory and Gypsy and Traveller Accommodation (FD1, June 2013) documents produced by the Council. The Housing Supply and Housing Trajectory documents represent a more realistic, albeit optimistic, view on the delivery of non-allocated sites. Despite these inconsistencies, all of these documents clearly demonstrate the need for the New Neighbourhood allocations. They also highlight the importance of making best use of the New Neighbourhoods allocations and bringing the deliverable sites within the 5 year land supply.

25. In summary, the evidence base demonstrates that the Core Strategy cannot provide a deliverable 5 year land supply or a developable 15 year land supply sufficient to meet objectively assessed housing needs without the inclusion of the New Neighbourhoods. The need to bring forward the New Neighbourhood allocations as a matter of urgency is apparent from the Housing Trajectory and Housing Supply documents. There is a clear imperative to make full use of the strategic sites / new neighbourhoods identified in the Core Strategy in order ensure that the housing provision in the plan can be delivered.