

West Dorset, Weymouth and Portland Local Plan Examination

Hearing Statement

for

Matter 3: Sustainable Pattern of Development



Prepared by West Dorset District Council and
Weymouth & Portland Borough Council

November 2014

Matter 3: Sustainable Pattern of Development

Agenda Item 3.1: Are there alternative development options which would deliver a more effective and sustainable development strategy?

- 1.1 At every stage of plan preparation the councils have taken account of the requirement to contribute to the achievement of sustainable development as set out in paragraphs 6 & 7 of the NPPF.
- 1.2 A range of options for both the amount and distribution of development have been considered during the preparation of the Submission Plan. There are no doubt other options that would deliver a similarly effective and sustainable strategy but it is not considered that they would be more effective and sustainable.
- 1.3 The Submission Plan focuses development primarily at the larger settlements, with a number of significantly sized strategic development allocations. This is considered a sustainable approach as development is concentrated in the most accessible locations and where services and employment are already focused. The larger development allocations enable mixed uses to be developed together and provide sufficient development in one area to fund appropriate local infrastructure improvements. While it could be argued that more smaller developments might enable the housing supply to come forward more rapidly, there is currently good progress being made towards the delivery of all the major allocations, demonstrating that there is developer interest and good prospects of delivery.
- 1.4 A significant proportion of development is expected to come forward from sites within the existing built up areas: this is a sustainable source, in the most accessible areas and making effective use of previously-developed land. Assumptions about the rate of development have been based on a recently updated Strategic Housing Land Availability Assessment (SHLAA), and are well within the rate that has been previously achieved over a range of economic conditions.
- 1.5 The Submission Plan proposes limited growth in the smaller, less sustainable settlements but has taken a flexible approach to encourage development of benefit to the rural economy, and also recognises the flexibility and freedoms of community led neighbourhood plans to deliver development that is needed by local communities.
- 1.6 The principal development options that have been considered and rejected were for greater amounts of development at Dorchester, Crossways and Sherborne. Significant allocations remain at all three locations, but the more extensive development proposals were rejected for reasons including impact on heritage assets and infrastructure at Dorchester; scale of development relative to the

settlement size at Crossways; and impact on local character of Sherborne. Development options were also assessed through the Sustainability Appraisal process.

Agenda Item 3.2: Is the overall distribution of housing and employment appropriate to the needs of the two areas?

- 2.1 Following the National Planning Policy Framework (NPPF) paragraph 47, the Planning Practice Guidance (PPG) and the Planning Advisory Service (PAS) Advice Note, the focus of the assessment of housing needs has been on the Housing Market Area (HMA) as a whole as opposed to the two authority areas.
- 2.2 The PAS note explains how the demand for housing is reasonably footloose across local authority boundaries and that the planning system, through the operation of the duty to co-operate, should guide development to the most sustainable locations within the HMA.
- 2.3 The Submission Plan proposes to meet the total development needs of the HMA. The proposed distribution of this development has resulted in more development in Weymouth and Portland and less in West Dorset than would be the case if separate targets were maintained. A significant proportion of the development within West Dorset is also focused around the edge of Weymouth.
- 2.4 This distribution has a number of benefits. Development is focused on Weymouth, which is not only the largest town in the area by some way, but has been recognised in the Submission Plan's vision as being in need of significant change and regeneration. The most recent evidence of affordable housing need across the whole plan area shows that Weymouth & Portland has the more significant need, and this distribution of development will be helpful in addressing it.

Agenda Item 3.3: What effect will the balance of homes and jobs be likely to have in reducing commuting pressures?

- 3.1 The 2001 Census showed that there were fewer local jobs in the HMA than resident workers; around 10% (net) of residents commuted out of the HMA to work. By 2011 the labour market was almost exactly balanced, with enough local jobs for the number of resident workers. The table below shows that by 2011 the HMA accommodated 56,140 workplaces and 57,566 resident workers.

	Total Workplaces	Total Residents	Net Commuting
West Dorset	40,214	33,327	6,887 (-)
Weymouth & Portland	15,926	24,239	8,313
Total West Dorset and Weymouth & Portland	56,140	57,566	1,426

Source: 2011 Census

- 3.2 There is commuting between the two local authority areas. Further analysis reveals that most cross boundary commuting is over very short distances and new data shows that 71% of Weymouth residents commute less than 5km to work. Commuting distances travelled within the HMA are relatively short and in most cases equal to or less than the South West average.

Area	<5km	5 Km - 10 km	>10km
West Dorset	59%	17%	23%
Weymouth and Portland	71%	15%	14%
South West	66%	17%	17%

Source: Census table DC7102EW1a. Percentages calculated excluding work from home and 'other'

- 3.3 The Submission Plan provides employment opportunities close to new housing. The majority of the larger development land allocations include a mix of uses located in close proximity to existing services and facilities providing opportunities for people to live and work in the same area.
- 3.4 This approach ensures that commuting patterns, as a minimum, are in balance and opportunities to reduce commuting are provided.

Agenda Item 3.4: Is there sufficient flexibility in the Plan to respond to changing circumstances?

- 4.1 The Submission Plan allows for flexibility to respond to changing circumstances. The level of housing development proposed is raised well above the level of the ONS forecasts, in order to ensure that the plan has allocated sufficient land to be able to respond to improved economic conditions and return to much higher rates of inward migration. The level of development proposed is also based on trends during peak years of the previous economic cycle, allowing for potential changes in economic conditions during the plan period.
- 4.2 The Submission Plan allocates a variety of land allocations across the entire HMA, and the plan is not overly dependent on one particular location or a small number of sites to provide for the area's needs.

- 4.3 Outside the urban areas, the Submission Plan takes a flexible approach to encourage development that benefits the rural economy as well as supporting limited growth in sustainable rural settlements. Neighbourhood Plans will provide further flexibility.
- 4.4 Employment land has been allocated at more than the required level, in order to provide flexibility and choice to meet the needs of a variety of businesses.

Agenda Item 3.5: Is the latest assessment of housing robust and representative of needs in the two authority areas?

- 5.1 In response to the Inspector’s advice, the councils have comprehensively updated their housing evidence since the exploratory meeting.
- 5.2 Peter Brett Associates (PBA), working with HDH Planning and Development Ltd. undertook a ‘clean sheet’ assessment of housing needs in the plan area.
- 5.3 At the time of drafting the new evidence, PBA were finalising a Technical Advice Note on Objectively Assessed Housing Needs on behalf of PAS. The new evidence therefore follows this Technical Advice Note, which has now been extensively used and cited elsewhere.
- 5.4 In line with the advice note, the NPPF and the PPG, the assessment has focused on the HMA as a whole as most residents are reasonably footloose when searching for new homes and local authority boundaries are not contiguous with the urban area. In particular, parts of the Weymouth urban area, including major employment areas and homes, are within the West Dorset administrative area.
- 5.5 The PAS advice note acknowledges there is no one agreed approach to assessing housing need and there will always be areas of technical disagreement. Recognising this, the councils and their consultants PBA held two technical meetings in October 2014 with objectors (Nexus, Pegasus and Turley) who had submitted alternative assessments of need to narrow the area of disagreement. The outcome of these meetings is set out in meeting notes which will be published in the examination library. Subsequently, additional technical information was provided by the Council to these objectors CD/SUS11.
- 5.6 The technical meetings demonstrated proactive engagement with objectors. As a result, the three main areas of disagreement were narrowed down to the following:
 - A. The level of new jobs to be expected in the area***
- 5.7 At the time the new evidence was prepared, key Census data and new ONS population projections were not available. Objectors noted that the Experian data

used by the council was out of alignment with the Oxford and Cambridge data used by objectors and more recent Experian Data obtained by Turley.

5.8 In summer 2014, new data provided to the council by Experian showed that headline job numbers (including part-time jobs) for the HMA are broadly aligned with the other models, as follows:

- Experian 13,070 (September 2014)
- Cambridge 12,800 (November 2013)
- Oxford 8,300 (September 2014)

5.9 This new data does not change the conclusions in the SHMA. Unlike the objectors, PBA did not use the Experian Data as an input to the demographic analysis. This followed advice from Experian and earlier advice from Oxford Economics.

B. The extent to which the area needs to plan for increased migration (over and above that proposed) to secure new jobs

5.10 The councils' consultants have worked with Experian to test the local labour market and its response to increased migration flows. Experian confirm that the job market in the plan area is not constrained by a lack of labour. So increasing the availability of labour through increased migration does not automatically secure additional jobs.

5.11 A high migration assumption could harm the economy, by increasing unemployment, depressing economic activity rates and encouraging outward commuting. This is because the structure of the local economy will not respond positively to the increased labour force.

5.12 Further, Experian demonstrates that the baseline jobs (now 13,070) is achievable using trend based migration (i.e. 554 dwellings per annum (dpa) in the ONS 2012 population projections). This is because, unlike the alternative models promoted by objectors, Experian make allowances for increased state pension ages, meaning older people are expected to work slightly longer in the future. Neither Pegasus nor Nexus make any allowance for this in their modelling. Experian also note that objectors have not recognised that many new jobs are part-time, so do not need a full-time economically active migrant as assumed by objectors.

C. Whether the Council have fully considered 'market signals' in the assessment of housing need; including whether any adjustment is required to reflect former Structure Plan policies

- 5.13 The agreed NPPF compliant ‘starting point’ for assessing housing needs is the ONS 2012 population projections (around 554dpa for the plan area). This is the starting point for considering any uplift in OAN, however the uplift is justified.
- 5.14 For a number of ‘market signal’ reasons the SHMA recommended a significant uplift on the 554dpa. This was partly to increase local housing supply so helping address affordability concerns but also to plan for increased migration flows into the area for social and economic reasons.
- 5.15 It is impossible to quantify the relationship between the two objectives or to apportion to effect of the uplift on affordability. The PG notes that plans should “not attempt to estimate the precise impact of an increase in housing supply”. Instead they “should increase planned supply by an amount that, on reasonable assumptions and consistent with principles of sustainable development, could be expected to improve affordability, and monitor the response of the market over the plan period”
- 5.16 Objectors suggest that because the trend period used by PBA to quantify the uplift (01-07) was ‘constrained’ by the Structure Plan an additional uplift should be automatically applied. The council finds no grounds for this in the PPG which instead focuses on analysis of current market signals.
- 5.17 In the current context detailed consideration of the former Structure Plan is not helpful or constructive. Nor is it practical given the evidence on which the Structure Plan was based is now very out of date.
- 5.18 The councils have used the most up to date information, followed current guidance, and demonstrated a robust approach to assess housing needs across the HMA. The councils approach ensures a significant boost to housing supply, well in excess of recent house building trends and ONS projections. It addresses long term demographic trends, a changing local workforce and a desire to secure additional affordable new homes.

Agenda Item 3.6: Is the phasing regime and housing trajectory realistic, appropriate and deliverable and capable of providing an adequate supply of housing land?

- 6.1 The councils’ approach to housing land supply is summarised in the amendments to Chapter 3 (summer 2014) and in more detail in the SHLAA Update, July 2014 (CD/SUS9).

- 6.2 In line with NPPF paragraph 47 and the PPG, the authorities have made a realistic assessment of likely delivery rates, in order to develop the annual housing trajectory in page 9 of the SHLAA. The Submission Plan includes an individual trajectory in five year tranches for each of the housing allocation sites.
- 6.3 Realism has been ensured by basing the trajectory for the Submission Plan allocations on contact with developers/landowners or their agents. Lapse rates have been applied to reflect recent experience of non-delivery. Similarly, realism has been applied to likely delivery rates on the rural exception sites, the supply from rural conversions and neighbourhood plans. Full assessments of the viability of sites has been undertaken (CD/CIL17).
- 6.4 The approach to housing land is also appropriate, in that the supply is based on a range of types of size and location of site and is not reliant on delivery on one or two major sites in one settlement alone.
- 6.5 In total, these new sources provide a potential supply of 14,040 dwellings against a requirement of 13,175 homes over the Plan period 2011-28. This demonstrates an adequate supply of housing land capable of meeting the plan requirement.
- 6.6 Recently, the rate of housing delivery has been lower than the proposed 775dpa. Between 2007 and 2012, the Plan area was delivering around 550dpa (net). In setting 775dpa as a target the Council was mindful of the NPPF requirement to boost the supply of new homes. The choice of 775dpa reflects the new evidence projecting forward the level of migration witnessed in the last 'housing boom'. It is proposed to use the 775dpa requirement throughout the Plan period, regardless of economic cycles which are likely to include further recessionary periods.

Agenda Item 3.7: Would the LP provide a 5 year housing land supply on adoption having regard to the need for an appropriate buffer (NPPF paragraph 47)?

- 7.1 The councils' approach to the five year housing land supply is set out in detail in the updated SHLAA.
- 7.2 The councils' approach reflects guidance in NPPF paragraph 47 in that allowances have been made both for meeting the existing shortfall in delivery (by 821 dwellings) since 2011, and for a 20% buffer in response to past under-delivery. This results in a five-year requirement of 5,471 dwellings for the period April 2014-March 2019. The guidance is not clear on whether the buffer should be applied to the annual target alone, or to the total including the shortfall. The councils' approach has been to consider the annual target rather than the annual target plus

shortfall. The councils have taken a cautious but realistic approach to determining which sites will come forward to deliver in the five year period; a supply of 5,471 dwellings has been established, exceeding the five-year requirement by 150 dwellings.

- 7.3 It is acknowledged that, at present, there is not a demonstrable five-year land supply either across the plan area or in the individual Districts. The Local Plan seeks to remedy this situation and the councils are confident that on adoption, the Local Plan will provide a robust 5-year housing land supply which will include housing allocations confirmed through the local plan examination.

Agenda Item 3.8: What are the implications of adopting an overall housing target for the 5-year housing land supply calculations for the individual authorities?

- 8.1 The NPPF states that local planning authorities should meet the “full, *objectively assessed need for market and affordable housing in the housing market area.*” The PAS technical advice note confirms that the purpose of HMAs is ‘*to bring together those places which households consider close substitutes for one another*’ and that demand is ‘*footloose across administrative boundaries*’.
- 8.2 Evidence set out in the 2014 revised SHMA demonstrates that the two local authority areas function as a single HMA and therefore a single housing target is proposed for the joint plan area.
- 8.3 A joint approach to calculating the 5 year land supply is proposed , rather than individual approaches for each authority. The authorities already have a joint approach to SHLAA, joint systems for monitoring planning consents and work together as a joint policy team. This demonstrates the joint approach to the 5 year housing land supply is both logical and practical.
- 8.4 A combined target will provide flexibility across the whole plan area, so that if housing land supply falls behind the anticipated trajectory in one authority but ahead in the other, then the five year housing land supply will be maintained. In this way, the two authorities should be able to better manage development, ensuring a continuing supply of housing land and avoiding planning by appeal.
- 8.5 A similar approach was supported at examination and is being used by Christchurch and East Dorset Councils (September 2013¹).

¹ <https://www.dorsetforyou.com/348323>.