

# Purbeck Local Development Framework

## Core Strategy Examination

Statement submitted by Savills on behalf of the Redwood Partnership on Matter 4: Housing and Housing Supply (Policy HS).

Respondent reference: 4948

April 2012

Savills  
Wessex House  
Priors Walk  
Wimborne  
Dorset  
BH21 1PB



## **Matter 4: Housing and Housing Supply (Policy HS)**

### **4.1 Are the housing policies consistent with national guidance and supported by clear and robust evidence?**

1. An important component of the social dimension of sustainable development, as recognised in the NPPF, is the need to provide the supply of housing required to meet the needs of present and future generations. Following on from this, one of the key aspects of delivering sustainable development set out in the NPPF is to boost significantly the supply of housing. Against this context, the Core Strategy would have the effect of reducing housebuilding in Purbeck to 80 homes per year in the latter part of the plan period – this would be the lowest for over 20 years, and will result in problems of overcrowding, sub-standard housing, social exclusion, homelessness and out-migration of younger people and families.
2. The presumption in favour of sustainable development set out at paragraph 14 of the NPPF means that for plan making, local planning policies should positively seek opportunities to meet the development needs of their area, and that Local Plans should meet objectively assessed needs, with sufficient flexibility to adapt to rapid change, unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, or specific policies in the NPPF indicate development should be restricted. The level of housing proposed in Policy HS falls short of providing sufficient housing to meet identified community needs, despite the availability of suitable sites and locations for development that could be delivered in line with the policies in the NPPF, as a result the Core Strategy fails to meet a cornerstone of national policy.
3. The core land-use planning principles for both plan-making and decision taking set out at paragraph 17 of the NPPF include a requirement to make every effort to objectively identify and then meet the housing, business and other development needs of an area, and respond positively to wider opportunities for growth. Plans should take account of market signals, such as land prices and housing affordability, and set out a clear strategy for allocating sufficient land which is suitable for development in their area, taking account of the needs of the residential and business communities. It is clear from all of the evidence available, as highlighted below, that the housing provision in the Core Strategy falls well short of meeting housing needs. The local planning authority has

failed to plan positively for opportunities for growth, and has not set out a clear strategy for allocating sufficient land which is suitable for development.

4. Paragraph 47 of 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. Policy HS fails to meet this requirement of the NPPF for the following reasons:

- The latest CLG household projections show that the number of households in Purbeck is forecast to rise by 4,000 over the plan period, whilst the plan only proposes to deliver 2,400 dwellings.
- The Strategic Housing Market Assessment Update for the Bournemouth/Poole Housing Market Area (January 2012) indicates the total net annual need for affordable housing of 520 houses per year, whilst the plan only proposes to deliver 39 affordable homes per year.
- The Strategic Housing Market Assessment Update for the Bournemouth/Poole Housing Market Area (January 2012) projects an increase of 170 households per year in Purbeck (a 17% increase) over the period 2011-2013.
- The number of people on the housing register is continuing to grow year-on-year and has risen from 1,600 in 2010 to 2,029 at November 2011.
- Suitable, deliverable sites for housing are available as identified in previous versions of the SHLAA, and in our response to previous Core Strategy consultations.
- The *Purbeck Core Strategy: Implications of additional growth scenarios for European Protected Sites (2010)* report has identified Wool as an area where additional growth of up to 1,000 houses could be mitigated.

5. The NPPF advises (paragraph 159) that local planning authorities should have a clear understanding of housing needs in their area. This should include a SHMA to identify the scale and mix of housing which is likely to be needed over the plan period to: meet

household and population projections, taking account of migration and demographic change; address the need for all types of housing; cater for housing demand and the scale of housing necessary to meet this demand. The SHMA update for the Bournemouth and Poole HMA (2012) includes a projection of household change (figure 7.6) 170 households per annum in Purbeck, this is a projection forward of past demographic trends and should be considered alongside other indicators of housing need and demand such as affordability and economic growth targets. Allowance also needs to be made for vacancy rates and second homes, which would be circa 8-10% for Purbeck. Chapter 6 of the SHMA provides a review of current and future affordable housing need across the HMA, the following figures from the SHMA highlight the scale of the issue for Purbeck:

- Figure 6.4 indicates that there are a total of 1,427 households currently in unsuitable housing in Purbeck, approximately 7% of the total households in the District, and has increased by approximately 230 households since the 2007 housing market assessment.
  - Figure 6.6 shows that there are 617 households in housing need in Purbeck that need to move and cannot afford entry level housing whether owned or rented.
  - Figure A4.2 shows that the net annual affordable housing need in Purbeck has risen from 409 in 2007 to 520 in 2011.
6. Whilst the SHMA considers that part of the gap between the likely future need for affordable housing and future supply is likely to be met by the Private Rented Sector, it also highlights that the Private Rented Sector is not the solution to the clear need and affordability problem in the HMA (paragraph 6.74).
7. The extent to which the Private Rented Sector (PRS) can meet the gap between affordable housing need and affordable housing provision is not defined in the SHMA. However, it should be noted that the PRS in Purbeck currently accounts for 3,008 households (15%) of the overall total of 19,972. Although the PRS has potential to expand, only a proportion of this sector is servicing households in affordable housing need, and if were to expand at a rate necessary to meet forecast needs, it would account for over 50% of the District's housing stock by the end of the plan period – clearly and unrealistic expectation. It is therefore unrealistic and undesirable to rely on the PRS to meet any more than a small proportion of the gap. A significant level of housing need will

remain unmet. Increasing the overall housing provision by identifying additional land for housing at appropriate and sustainable locations will help to meet these needs.

**4.2 Is the information in the Strategic Housing Land Availability Assessment (2011) soundly based? Have current economic conditions been taken into account?**

8. The 2011 SHLAA provided minimal information on which to judge the soundness of the assessment. It is noted that previous SHLAA studies have included significantly more information such as site constraints, planning status, land ownership and availability. This information has not been provided in the 2011 version of the SHLAA, making objective assessment and review much more difficult. The issue of viability is a particular concern given current market conditions. Paragraph 159 of the NPPF advises that the SHLAA should establish realistic assumptions about the availability, suitability and the likely economic viability of land to meet the identified need for housing over the plan period. It is not evident that the availability or economic viability of the sites included in the five year supply have been taken into account, the planning status of these sites is also unclear.

**4.3 Is the overall housing provision based on a sound assessment of supply and demand? In particular:**

**(a) are the expectations for delivery of existing commitments reasonable? Significant reliance is placed on commitments/character area potential (in policy HS) particularly for the years 2022-2026. What is the justification for this?**

5 year housing land supply

9. The expectation for the delivery of existing commitments as set out in the Purbeck District Council Assessment of 5 Year Housing Supply at 1<sup>st</sup> April 2011 is that all of the existing commitments will come forward within 5 years. This approach fails to make any allowance for the non-implementation of planning consents, which is a common occurrence. The generally accepted approach is to apply a 10% non-implementation allowance to the existing commitments, this would indicate that existing commitments will deliver 253 dwellings over the first 5 years.
10. The 5 year land supply also includes the delivery of 395 dwellings on settlement extensions. This is potentially unrealistic given: current market conditions; land ownerships; the likely timetable for achieving planning consent given significant

unresolved planning issues such as SANG provision, loss of school playing fields and retail provision at Wareham, and; timescale for subsequent discharge of pre-application conditions, s106 obligations, and on-site mobilisation. A more realistic figure for the potential of the current pre-submission draft Core Strategy settlement extensions to contribute to 5 year land supply is up to 270 dwellings, based on 100 dwellings at Worgret Road, Wareham, 50 dwellings at Lytchett Minster, 70 dwellings at Upton, and 50 dwellings at Swanage.

11. The five year land supply also includes an allowance for 48 units from Council owned sites. Whilst these sites could potentially be suitable for re-development, and the identification of surplus public sector land for development accords with national policy, there is no evidence to justify the inclusion of these sites within the 5 year land supply as they do not meet the tests of deliverability set out at paragraph 47 of the NPPF. These sites do not have planning permission, are not currently available, and there is no evidence to demonstrate viability. The Kings Court Business Centre site provides low cost, flexible employment premises for small businesses, many of the units are currently occupied, and the Council are currently offering vacant units on a 12 month let.
12. The Purbeck District Council Policy Group Committee Report of 9 February 2010 indicates that these sites have been identified by the Council in order to top-up their 5 year land supply, rather than as part of any strategy for the disposal of surplus land, stating:

*Identification of Council owned sites that could be brought forward for housing development is important to ensure that the Council can maintain a 5 year supply of housing sites. Prior to adoption of the Core Strategy in 2012, it is highly likely that the Council will not be able to show a 5 year land supply. This would then invite speculative planning applications by landowners of greenfield sites outside of settlement boundaries. The shortfall in supply would give the landowners an advantage under current planning legislation in PPS3 Housing, making it very difficult for the Council to refuse such applications. Topping up the land supply with Council owned sites is therefore important to maintain control over the location of new greenfield sites through the Core Strategy process.*

*There is no obligation by the Council to dispose of or develop these sites. The control of the sites remains with the Council and reports proposing the disposal and*

*development of Council owned land for housing will be brought before members through the normal Policy Group and Council process.*

13. Based on the above considerations, the total supply of land for housing deliverable by 2017 is 523, as set out below:

Sites with consent at April 2012	281
Non-implementation allowance @10%	-28
Pre-submission Core Strategy settlement extensions deliverable by 2017	270
<b>Total deliverable supply at April 2012</b>	<b>523</b>

14. This falls short of meeting the Council's suggested housing requirement for 2012-2017 of 540 dwellings. It also fails to meet the NPPF requirement for an additional buffer of 5% to ensure choice and competition in the market for development land, or the buffer of 20% for local planning authorities where there has been a persistent under delivery of housing.

#### Ten and fifteen year housing supply

15. The Council's proposed housing supply incorporates a significant level of housing provision from character area potential, particularly in years 6-10 and 11-15 of the plan period, this would come from non-identified sites and is effectively a form of windfall allowance. Paragraph 48 of the NPPF states that local planning authorities may make an allowance for windfall sites in the five-year supply if they have compelling evidence that such sites have consistently become available in the local area and will continue to provide a reliable source of supply. Furthermore, any such allowance should be realistic having regard to the SHLAA, historic windfall delivery rates and expected future trends, and should not include residential gardens. In this context, the following points are noted:

- The guidance provided in the NPPF does not make any allowance for the inclusion of windfall beyond the five year supply; housing supply for years 6-10 and 11-15 should be based on specific, developable sites or broad locations for growth.

- There is a lack of evidence to justify the proposed reliance on character area potential and windfalls, building a significant level of risk into future housing provision with no flexibility to adapt or bring forward additional sites if required.
- Recent trends in completions and consents suggest that windfall delivery rates are declining.
- A review of the SHLAA maps of submitted sites suggests that a significant proportion of the character area potential within settlement boundaries appears to come from residential gardens, contrary to the guidance contained in the NPPF.

16. All of the above factors highlight the need for the Council to identify additional housing allocations in the Core Strategy.

**(b) is the proposed trajectory realistic and can it be delivered?**

17. The proposed trajectory builds in over-optimistic assumptions on the delivery of commitments and delivery of Council owned sites. The trajectory assumes that all of the proposed settlement extensions will be delivered within the first 5 years of the plan, with no back-up or contingency. In the latter part of the plan period, the trajectory relies on non-identified sites to deliver a significant proportion of the land supply. As a consequence the housing trajectory is not considered realistic or deliverable.

**(c) what assessment of previously developed land has been undertaken?**

18. Whilst the 2009 version of the SHLAA included a categorisation of sites according to whether or not they comprised previously developed land, this information is not available in the 2011 SHLAA. It is unclear what assessment of previously developed land has been undertaken.

**(d) is the contribution that windfall sites could make to housing provision appropriate and robust? and**

19. The ad-hoc nature of windfall and character area potential sites (in terms of scale, location, and timing) means that there is a fundamental lack of co-ordination. Without a supply of predictable development sites that can deliver family housing, the opportunity to deliver the right number and mix of housing in Purbeck is very much limited.



**(e) is there sufficient flexibility to deal with changing circumstances affecting phasing and delivery – in particular with regard to the economy and financial constraints, land ownership and issues of ecological importance?**

20. The first five years of housing supply in the Core Strategy is heavily reliant on a small number of sites that are currently within the Green Belt, with no back-up or contingency and does not identify sufficient specific sites elsewhere to ensure the delivery of the Core Strategy objectives in relation to housing provision. Latter phases of the plan are heavily reliant on character area potential - effectively windfall sites. The changes to paragraphs 6.1.3 and 6.1.4 in the 2011 Pre-submission draft plan have removed the fall back position in relation to potential for longer term growth at Wool. Without allocated sites beyond the first five years of the plan, and with only a very small pipeline of potential future allocations and no contingency, the planning authority has little control over the timing and delivery of new housing and has no flexibility to accommodate unforeseen circumstances.

**4.4 PPS3: Housing suggests the potential for setting out a range of densities across the plan area. Should the Core Strategy establish the Council's overall approach to housing densities?**

21. A flexible approach to housing densities is considered an appropriate response to this aspect of national policy, with each site being considered on its merits.