



Purbeck Local Plan Examination:

Update on local housing need

18 November 2022

Dorset Council

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Response to inspectors' request to update local housing need (LHN) figure

18 November 2022

Purbeck Local Plan (2018-2034) – housing need figures: 1/11/2022

1. In a letter dated 1 November 2022, the Inspectors made the following request:

*Can the Council please consider and respond with a recalculated **local housing need figure** using up to date figures if necessary.*

2. As background, the version of the Purbeck LP submitted in January 2019 specified “at least 2,688 homes” over the plan period 2018-2034, equivalent to “168 homes per year” (Policy H1). This was amended by the main modifications schedule in November 2020 to “at least 2,880 homes ... equivalent to 180 homes per year” (MM25 and MM26).
3. In April 2021 the Council provided the Inspector with an updated local housing need figure for the Purbeck area. The figures are set out in the following table.

Annualised household growth (2021-2031)	132.1
Affordability ratio (ONS, 2019)	9.52
Affordability adjustment	0.345
LHN figure	178

Table 1: Local housing need April 2021

4. The Council noted in its response that the figure of 178 dpa was slightly less than that set out in the main modifications schedule. It would reduce the overall plan target from 2,880 to 2848 dwellings. The Inspector responded in a letter dated 15 July 2021 to say:

...there is little meaningful change overall between the local housing need figures which have been the subject of public consultation as Main Modifications and the figures that result from the recalculation. Therefore, in the light of this and having regard to the advanced stage of the examination and the intended timescale for the adoption of the Dorset Local Plan I intend to deal pragmatically with the matter of the local housing need figure and prepare my report on the basis of the proposed Main Modifications that have already been the subject of public consultation although minor changes to the wording of some of the Main Modifications may be necessary.

5. The previous calculation used the affordability ratio for 2019, as that was the most up to date available at the time. Since then, ONS have published more recent affordability ratios. The most recent one available is for 2021 and is used in the calculation below. This calculation results in a figure that is more than the cap.

Annualised household growth (2021-2031)	132.1
Affordability ratio (2021) ¹	10.96
Affordability adjustment	0.435
LHN figure (uncapped)	189.56
Annualised household growth + 40%	184.94
LHN figure (capped)	184.94

Table 2: Local housing need 2021

6. The next calculation combines the latest affordability ratio (2021) with the updated annualised household growth figure for the 10-year period 2022-2032. This results in a slightly higher figure which again is more than the cap.

Annualised household growth (2022-2032)	132.5
Affordability ratio (2021)	10.96
Affordability adjustment	0.435
LHN figure (uncapped)	190.14
Annualised household growth + 40%	186.11
LHN figure (capped)	186.11

Table 3: Affordability ratio (2021) and updated household growth figure between 2022 and 2032

7. The plan period is 2018-2034 (16 years). The implications of the revised LHN figures on the existing housing requirement from the main modification schedule are as follows:

	Nov 2020 - Main modification	April 2021 revision	Nov 2022 revision
Annual (dpa)	180	178	186
Total (2018-2034)	2880	2848	2976
Difference	-	-32	+96

Table 4: Implications for revised local housing needs figures

8. In summary, the latest LHN figure suggests a need for an additional 6 dwellings per year, or 96 dwellings over the plan period. This is equivalent to a 3.3% increase.

¹ Available from:

<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/datasets/ratioofhousepricetoworkplacebasedearningsforformerlocalauthorities>