

NORTH DORSET DISTRICT COUNCIL
THE NORTH DORSET LOCAL PLAN PART 1
2011- 2026 EXAMINATION

CONSULTEE ID – 3085

REPRESENTATIONS

ISSUE 4
12th MARCH 2015

MATTERS:
MEETING HOUSING NEEDS, INCLUDING
AFFORDABLE HOUSING

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FURTHER STATEMENT

DAY 3
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ISSUE 4: HOUSING NEEDS

Question 4.1

Although not explicitly stated in LP1, I interpret the figure of 4,200 dwellings (280 dwgs a year) as being the Council's objectively assessed housing need for 2011 – 2026. Is this figure justified, bearing in mind it is lower than that proposed in the former Regional Strategy? What has been the role of household projections in estimating overall housing need (see PPG paragraph 015 under Housing and Economic Development Needs Assessments)?

This question is predominately for the LPA to answer, however, an interrogation of the evidence base plainly reveals that the figure of 4,200 dwellings (280 dwellings a year) has not been informed by a robust objectively assessed needs assessment.

The requirement for the plan to be positively prepared is set out at paragraph 182 of the Framework and elaborated at paragraph 157 of the Framework. The proposed target has not been informed by an objective assessment of need as set out at paragraph 159 of the Framework and elaborated by the Planning Practice Guidance (PPG) (ID 2a-001-20140306 to ID 2a-029-20140306).

The SHMA was originally produced in March 2008 and updated in January 2012. This pre-dates the publication of the Framework, the Planning Practice Guidance, and the new household projections that are due to be published by ONS on 26/02/2015. The SHMA does not consider the 2011 interim projections which only ran until 2012 rather than 2036 as would be expected based on previous projections. Thus, it is plain that the SHMA is now based on withdrawn guidance (see paragraph 4.27, page 18 MHN 001, and paragraph 1.2, page 1 of MHN004) and is plainly out of date.

The SHMA update does not take account of the most recent household projections (it relies on the 2008 projections, as amended at the local level), nor is there any clear commentary about how any local changes have been made to such projections (as required by the PPG). It is plain that local amendment has been made to national projection for the 2011 SHMA update. Paragraph 6.9, page 17 of MHN004 states, inter alia, that *"we were provided with a series of population and household projections*

by the County Council.....we have used a projection linked to the 2008 based ONS/CLG population household projections which have been updated to a mid-2011 base." The 'local changes' to this data are not clearly explained (even in MHN 005). This is a serious shortcoming. As a result it is unclear how employment trends and market signals have been taken into account. Further it is unclear how headship rates may have affected the projection used in the SHMA. This is likely to be a significant factor in a plan area with a population that has an age profile skewed towards the elderly and therefore smaller household sizes, than prevails nationally.

It does seem anomalous that draft RSS sought to make provision for a significantly higher supply figure (350 dwellings per annum) which would suggest a minimum requirement figure of 5,250 over the plan period (without taking account of any under supply over the period 2006-2011). (see RSS Panel Report at Appendix 1). It is also noteworthy that the 2003 DLG projection for the district was 8,376 dwellings not the 7,000 Panel modification figure which was accepted by the SoS)

Accordingly we conclude that the SHMA is not up to date, fails to conform to prevailing guidance and is neither a robust nor sound basis upon which to plan positively for the future since the indications are that it significantly underestimates the likely need for new dwellings over the plan period.

Question 4.2

NPPF paragraph 47 requires the supply of housing to be boosted significantly. Between 2001 and 2011, 370 dwellings per annum were built in the District. The figure now proposed is 280 dwellings a year. Is the Council's target justified and sufficiently aspirational, in light of past rates of housing provision, including in terms of affordable housing provision? (see also question 4.12 below)

No, it's not – it's neither [reasonably] aspirational/positive, nor objectively and robustly justified (see answer to Q 4.1 above).

It is plain that there is a significant variation between the rate of delivery 2001-2011 (370 pa), the emerging RSS requirement (350 pa), and the emerging plan (280 pa). This appears to be a significant step change in housing delivery, in the wrong direction and at odds with national policy. For such a step change to be sound we consider it important that there is an up to date, robust and transparent justification for it. That is simply not available (see our answer to Q4.1 above).

With specific reference to affordable housing provision MHN 004 (paragraph 5.2, page 11) identifies, inter alia, "*an annual need to provide 387 additional units of affordable housing per year.....[and].....this figure is virtually the same as that derived in the 2007/8 SHMA and suggest that there is still a significant need to provide additional affordable housing in*

the District." The table at Figure 5.2 demonstrates that the future annual need (630) will outstrip future supply (260). Bearing in mind that supply of new homes over the period 2001-2011 was 370 p/a it is evident there was no reduction in affordable need even when delivery was at that level. It therefore appears plain that at a new homes delivery level of 280 p/a that affordable needs will rise, not reduce (since the factors that produce affordable housing needs are not ameliorating, again 'flying in the face' of positive planning and Government policy).

Question 4.3

Is the inclusion of North Dorset District within the boundary of the Bournemouth/Poole Housing Market Area (HMA) justified? What are the consequences of the use of the HMA boundary, particularly for the northern part of the District?

No, we don't believe so. North Dorset is not an 'easy' local authority plan area when it comes to consideration of housing requirements given its geographical location. The District adjoins five local authorities, and is also at the cusp of four Housing Market Areas (HMAs), as defined in the former RSS – Bournemouth and Poole; Salisbury; South Somerset-West Dorset and Dorchester-Weymouth.

In the same way that local authority administrative areas are not self-contained, neither are HMAs. Whilst the SHMA report recognises that the northern part of the District has linkages with Yeovil and Salisbury, it does not clearly identify the interplay between this, and the other HMAs.

Planning Practice Guidance indicates that housing needs should be assessed in relation to functional area, which in addition to HMAs, can include economic area/ areas of trade. Further, the guidance states that smaller sub-markets may be identified and that it may be appropriate to investigate these specifically to provide a detailed picture of local need (ID: 2a-008-20140306).

Both Gillingham and Shaftesbury are significant settlements in their own right that continue to generate their own needs, particularly affordable needs. The towns support a good range of services, facilities and employment opportunities. The housing requirements of these settlements are therefore not solely related to the HMA. They each face significant pressures for housing, particularly for affordable dwellings.

Question 4.4

Is the Strategic Market Housing Assessment (SHMA) sufficiently up-to-date and does it reflect the guidance on SHMAs in the NPPF (paragraph 159) and Planning Practice Guidance? The 2011 SHMA Up-date concluded that overall need for housing in the District has reduced from 350 to 280 dwellings per annum since 2008 (paragraph 4.29 of MHN001), the reason given is the economic

downturn. However there is evidence that the economy is recovering so can the up-dated SHMA (2012) be relied upon, bearing in mind the current economic context?

No – see answer to Q 4.1.

Does the 2011 SHMA actually conclude that the overall need has reduced? We have compared paragraph 4.9 of MHN001 with paragraphs 7.59-7.74 (pages 105 to 108) of MHN005 and it appears to us that the figure of 273 p/a is the projected household change in the HMA over the plan period, but that this is net of the inclusion of a vacancy rate (see paragraphs 7.72 and 7.73 and, in particular, Figure 7.6).

This figure can be contrasted with those that precede it, in particular paragraphs 7.69 and 7.70. These paragraphs appear to explain that the projections were run, with differing results (for Dorset as a whole) from 2606 households p/a to 3,280 households p/a and *“following discussions with the local authorities it was therefore decided that this latter projection provided the soundest basis for projecting future households (and hence potential housing delivery).”* I.e. the lowest projection was chosen (and the reasons for making this choice are not clear). These figures then appear to feed the 273 p/a figure for North Dorset (set out in Figure 7.6).

In our opinion, the ‘local changes’ to the ONS/CLG projections have not been appropriately justified and do not reflect the current, and improving, economic context sufficiently.

Question 4.5

Is the Strategic Housing Land Availability Assessment (SHLAA) sufficiently up-to-date?

No. The latest SHLAA was published in August 2011. It is out of date and cannot serve to demonstrate sites that remain available, sustainable and deliverable. Planning Practice Guidance requires such assessments to be undertaken and regularly reviewed (ID: 3-008-20140306). The SHLAA does not accord with this guidance. As set out in our response to Q 8.1 (Gillingham) and 9.1 (Shaftesbury) the Council has failed to take account of, and objectively assess, other available and suitable sites particularly at these settlements.

Question 4.6

Can the Council demonstrate a 5 year supply of housing plus appropriate buffer; and locations for growth for years 6 to 10 and 11 to 15 (NPPF paragraph 47)?

No. Even based on the proposed housing requirement (which we consider is too low) a 5 year supply of deliverable residential land cannot be demonstrated. Please see Appendix 2.

Question 4.7

Why is there no housing trajectory included within the plan or a clearly expressed implementation strategy (NPPF paragraph 47)? (see also question 12.1 on monitoring)

For the LPA to answer, but a surprising omission, and one that masks the deliverability problems that need to be resolved before units can be delivered from some of the proposed allocations.

Question 4.8

Is the Council's approach towards taking into account vacancy rates and second homes, in the overall housing figures, reasonable and justified?

Yes – not to do so would mean that some household needs would not be accommodated.

Question 4.9

Should the contribution that existing commitments and potential windfalls make to overall housing provision over the plan period be clarified?

Yes, please see our answer to Q 4.6 and the attached 5 year deliverable residential land supply analysis that we have provided (see Appendix 2).

Question 4.10

Is the proposed housing distribution (policy 6) based on a sound assessment of land availability and delivery? Is there any evidence that the proposed distribution cannot be satisfactorily achieved?

Yes, there are some problems with deliverability, particularly the proposed urban extension at Gillingham, as set out in relation to Q 8.1.

Question 4.11

Is the housing mix proposed in policy 7 justified? Is policy 7 too prescriptive? Should the reference in paragraph 5.34 be to bedroom numbers rather than size? Does the Council's approach meet the objectives of paragraph 50 of the NPPF, with regard to delivering a wide choice of family homes?

No. There is a lack of up to date evidence to demonstrate the housing mix proposed. Further, the policy is too restrictive and does not allow appropriate flexibility to take account of individual site circumstances and market conditions, as required by para. 50 of the Framework.

Para 5.34 should refer to bedroom numbers rather than size in order to align with the reference to bedroom numbers in the policy.

Question 4.12

Bearing in mind the SHMA Up-date (MHN004) concludes in paragraph 5.7 that there is a need to provide an additional 387 units of affordable housing per annum (up to 2016), has the Council placed sufficient weight on meeting the District's affordable housing needs? Will the Council's policies deliver a reasonable amount of affordable housing and in the locations where need is greatest? Is the advice in paragraphs 173 and 174 of the NPPF sufficiently reflected in LP1? What is the justification for seeking a reduced provision in Gillingham?

No, the Council has failed to place sufficient weight on meeting identified affordable housing needs. They appear to have failed to correlate this identified need with their projections of assessed need since the annual identified need for additional affordable housing per annum exceeds their identified overall projected need for housing in North Dorset 280 units per annum (see paragraph 5.10, page 13 of MHN004). This is curious and again underlines the lack of robustness of the SHMA.

Question 4.13

Is the Affordable Housing threshold justified and would the requirements of policy 8 put at risk the financial viability of any housing schemes? Is the policy sufficiently flexible? Is there any evidence to support making a distinction between town centre and non-town centre development? Is the reference to the involvement of the District Valuer appropriate?

New government guidance announced on 28 November 2014 sets a site size threshold of ten dwellings or fewer and a combined floorspace of less than 1,000m² below which affordable housing contributions are no longer be required. However, in order to support affordable housing in designated rural areas, on sites for between 6 and 10 dwellings a financial contribution towards affordable housing provision can be sought. Policy 8 requires rewording to reflect this change. Whilst the level of provision to be sought is recommend in the "*North Dorset District Council Affordable Housing and Developer Contributions in Dorset Final Report*" (MHN017) January 2010 prepared by Three Dragons this report is now out of date and pre-dates the requirements for whole plan testing as set out in the Framework. The Council has not demonstrated that Policy 8 is financially viable.

Question 4.14

Is the affordable rent/intermediate housing split justified and in line with current evidence and is it reasonable for the Council to

seek the provision of social rented housing in some circumstances (paragraph 5.105)?

There is a general lack of up to date evidence with 70% being a more appropriate split than the higher potential threshold of 85%. With regards to the provision to seek social rented housing this is not supported by the HCA which has made it clear that affordable rent will be the main form of affordable housing supply in the future. Should the Council continue to potentially seek the provision of social rented housing the extent to which this is achievable will depend on how far the authority itself is willing to provide funding or land in order to subsidise lower rents or an acceptance of lower levels of affordable housing provision in new developments will be required and the wording of the policy needs to be amended to address this.

Question 4.17

Has the Council properly addressed the housing needs of the elderly and people with disabilities?

No. As set out in Q 4.1, the District has a population with a high elderly population and therefore smaller household sizes than prevails nationally. Household projections indicate that average household sizes are set to drop mainly due to the increase in the older person population (e.g. such as through the formation of single elderly households being 'formed' due to the death of a partner). It is not clear how this has been accounted for and it is considered that more dwellings will be required to accommodate the same population.

Question 4.19

Has the Council satisfactorily considered the relationship between housing provision and employment trends (PPG paragraph 018 under Housing and Economic Development Needs Assessments)?

No, the negative view taken towards housing growth projections is not linked to any consideration of the relationship between job creation and new homes. See our answer to Q 4.1.