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SENT BY E-MAIL AND POST

18th September 2015

Dear Sir / Madam

# NORTH DORSET LOCAL PLAN PART 1 MAIN MODIFICATIONS CONSULTATION

#### Introduction

Thank you for consulting with the Home Builders Federation (HBF) on the above mentioned consultation. The HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing. We would like to submit the following representations and appear at any resumed Examination Hearing Sessions to discuss these matters in greater detail.

## **Plan Period**

**MM1** extends the plan period from 2011 – 2026 to 2011 – 31 therefore if the Local Plan is adopted by 2016 there will be a fifteen year timeframe remaining as recommended by paragraph 157 of the NPPF. However this proposed plan period extension should also be aligned with a revised higher housing requirement based on a NPPF and NPPG compliant OAHN and a spatial distribution strategy which will meet identified needs for market and affordable housing across the District.

## **Plan Review**

**MM2** proposes that the Council commence a review of the Local Plan shortly after its adoption. However this proposal is only set out in supporting text rather than actual policy. It is suggested that this proposal is incorporated into policy. It is also suggested that **MM2** is more precisely defined as the wording "commence a review shortly after its adoption" is too vague and non-comital. The Council should commit to the preparation and submission to the Secretary of State for examination the Local Plan review by a specific date.

As stated in the recent Written Ministerial Statement dated 25<sup>th</sup> March 2015 an early review mechanism is only appropriate where issues are not fundamental to the soundness of the Plan. An early review clause cannot absolve the Council of its responsibilities to meet OAHN now by providing a significant boost to housing supply. Any proposed postponement of such responsibilities is unjustified and represents negative rather than positive planning.

Paragraph 153 of the NPPF envisages that a single Local Plan is prepared but the Council persists in pursuing a two part Local Plan. It is understood that if the final report of the new SHMA identifies an OAHN equal to or below the currently proposed housing requirement then the existing Part 1 Local Plan will be reviewed and the production of the Part 2 Local Plan continued. However if the new SHMA identifies an OAHN significantly greater than previously calculated then the Local Plan Part 1 and Part 2 would be amalgamated. The effectiveness of the early review proposal is compromised by this uncertain relationship between the proposed Local Plan Parts 1 and 2.

It is also known that the three neighbouring Councils of North Dorset, West Dorset and Weymouth & Portland will be re-organised into one joint planning service team irrespective of the fact that these Councils are in different Housing Market Areas and have separate Plans. It is uncertain if this planning team will be sufficiently resourced to cope with the potentially simultaneous timing of early reviews of these separate Local Plans (the West Dorset Weymouth & Portland Local Plan is due for review no later than 2021) as well as the possible preparation of the North Dorset Local Plan Part 2.

## **Housing Requirement**

As set out in **MM5** the housing requirement is increased to 5,700 dwellings (285 dwellings per annum) for the plan period of 2011 – 2031 by the inclusion of a second home allowance in the housing requirement which increases the housing requirement by 5 dwellings per annum accordingly. This reference should be expressed as "at least" for consistency with other references contained within the policies and supporting text of the Local Plan.

The HBF remains concerned that such a low housing requirement is insufficient to accommodate employment growth, market signals, affordable housing need and potential unmet needs from neighbouring authorities of Poole and Purbeck. These concerns were previously expressed in the HBF response to the North Dorset Pre Submission Local Plan consultation ended on 24 January 2014, our Written Hearing Statement for Issue 4 and orally at the Examination Hearing Session held on 12<sup>th</sup> March 2015. A housing

requirement of 285 dwellings per annum in North Dorset will not significantly boost housing supply as set out in paragraph 47 of the NPPF as this represents a housing supply less than previously delivered.

There is also a concern about the provision of housing in the rural areas as opposed to the four main towns. A revised spatial distribution of the housing requirement is proposed in Table 5.1 of **MM5**. As revised 14% of the housing requirement is proposed in the rural areas rather than 6% as set out in the submitted Local Plan. **MM3** sets out proposed housing numbers for Stalbridge and other villages. The housing requirement for Gillingham is also increased.

Whilst this proposed re-distribution is welcomed the question remains whether or not this strategy will meet the housing needs of the rural population. One of the Core Planning Principles of paragraph 17 of the NPPF is to "take account of the different roles and character of different areas ... recognising the intrinsic character and beauty of the countryside and supporting thriving rural communities within it". This principle is re-emphasised in paragraph 55 of the NPPF which states "to promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities". The Council's latest Annual Monitoring Report (AMR) 2014 (IMP006) states that 45% of the population of the District live outside of the five major settlements (four main towns plus Stalbridge). North Dorset is a rural District therefore the Council should confirm that the proposed distribution of housing (only 14% outside the main towns) is going to satisfy the housing needs of the District especially in the rural areas as required by paragraphs 17 and 55 of the NPPF.

The Council's new evidence to justify 826 dwellings in the rural areas is calculated from an unrealistic demographic projection based only on the natural increase of the existing local population and zero migration. As paragraph 5.30 of the PAS Guidance on "Objectively Assessed Need and Housing Targets" dated June 2014 points out "zero migration projections can provide a useful context ... but considered as a potential future they are unrealistic ... as a measure of demand or need they are non-compliant with national policy because the NPPF makes it very clear that OAHN includes migration". Therefore 826 dwellings is not representative of an OAHN in the rural areas.

# **Housing Supply**

Under **MM3** the settlement boundaries around the larger villages are reinstated and retained whilst the boundaries around the remaining villages are removed. However these retained settlement boundaries are out dated originating from the previous Local Plan adopted in circa 2003. A review of these boundaries should have been undertaken as a strategic matter in the Local Plan Part 1 rather than delegated to the Local Plan Part 2 or Neighbourhood Plans. Without this review of settlement boundaries the Part 1 Local Plan will not be effective in meeting OAHN.

It also seems that the new housing trajectory set out in **MM6** includes delivery of sites beyond the retained settlement boundaries which supports the

argument for settlement boundary reviews sooner rather than later and undermines the Council's current policy position against such reviews now.

As previously mentioned (see Plan Review above) there also remains confusion and uncertainty over the relationship between the Local Plan Parts 1 and 2 which may impact on the Council's ability to maintain a sufficient housing land supply in the future. The Council should be mindful that to maximize housing supply the widest possible range of sites, by size and market location are required so that house builders of all types and sizes have access to suitable land in order to offer the widest possible range of products. The key to increased housing supply is the number of sales outlets. Whilst some SUEs may have multiple outlets, in general increasing the number of sales outlets available means increasing the number of housing sites. So for any given time period, all else been equal, overall sales and build out rates are faster from 20 sites of 50 units than 10 sites of 100 units or 1 site of 1,000 units. The maximum delivery is achieved not just because there are more sales outlets but because the widest possible range of products and locations are available to meet the widest possible range of demand. A wider variety of sites in the widest possible range of locations including in market towns and rural areas also ensures all types of house builder have access to suitable land which in turn increases housing delivery.

# **Affordable Housing**

**MM8** revises the Affordable Housing Policy to comply with the thresholds set out in the Written Ministerial Statement dated 28<sup>th</sup> November 2014. However if the Council proposes any modifications to **MM8** because of the recent High Court Judgement West Berkshire District Council / Reading Borough Council and DCLG Neutral Citation Number [2015] EWHC 2222 (Admin) dated 31<sup>st</sup> July 2015 then any such changes should be consulted upon as the HBF and other interested parties may wish to submit further comments.

Previously the Council was seeking 40% affordable housing provision everywhere except Gillingham as set out in Policy 8 which correlated with figures set out in Policy 6. Under **MM5** to Policy 6 the Council is proposing the following modifications (see Table below) without any consequential change to Policy 8. The Council should clarify its position on affordable housing provision and carry out further consultation with interested parties.

SETTLEMENT	TOTAL NO. HOUSES	NO. AFFORDABLE HOUSES	% AFFORDABLE HOUSES
Blandford	1,200	395	32.9%
Gillingham	2,200	480	21.8%
Shaftesbury	1,140	380	33.3%
Sturminster Newton	395	95	24.0%

It is agreed that the reduced affordable housing provision from 30% to 25% on the Gillingham Strategic Allocation in **MM15** and **MM18** reflect the Council's viability assessment evidence. However this modification will reduce the overall amount of affordable housing delivered across the District resulting in

an even greater difference between affordable housing delivery and affordable housing need identified by the Council as 387 dwellings per annum. This supports the argument for an upward adjustment of OAHN as set out in NPPG (ID: 2a-029-20140306) and the High Court Judgement Satnam Millennium Ltd v Warrington Borough Council (2015).

#### **Other Policies**

The deletion of the reference to Renewable Energy in MM4 is appropriate.

MM27 makes refers to car parking standards however the Council should clarify if the car parking standards referred to as set out in Appendix C are minimum or maximum standards. It is suggested that the Council re-check this proposed change for compliance with national policy as set out in the Written Ministerial Statement dated 25th March 2015 which states "This government is keen to ensure that there is adequate parking provision both in new residential developments ... The imposition of maximum parking standards under the last administration lead to blocked and congested streets and pavement parking. Arbitrarily restricting new off-street parking spaces does not reduce car use, it just leads to parking misery. It is for this reason that the government abolished national maximum parking standards in 2011. The market is best placed to decide if additional parking spaces should be provided. However, many councils have embedded the last administration's revoked policies. Following a consultation, we are now amending national planning policy to further support the provision of car parking spaces. Parking standards are covered in paragraph 39 of the NPPF. The following text now needs to be read alongside that paragraph: "Local Planning Authorities should only impose local parking standards for residential and non-residential development where there is clear and compelling justification that it is necessary to manage their local road network.""

#### **Conclusions**

For the North Dorset Local Plan to be found sound under the four tests of soundness defined by paragraph 182 of the NPPF, the Local Plan must be positively prepared, justified, effective and compliant with national policy. There remain a number of concerns about the soundness of the North Dorset Local Plan despite the proposed Main Modifications which include:-

- 5,700 dwellings is too low as a housing requirement;
- housing distribution strategy fails to meet needs in the rural area;
- ineffective review mechanism;
- inappropriate deferment of settlement boundary review :
- uncertainty caused by a two part Plan;
- contradictory policies on proposed affordable housing provision.

Therefore the Plan is not considered to be consistent with national policy, positively prepared nor properly justified so it will be ineffective.

It is hoped that these representations are of assistance to both the Council and the Inspector in informing the next stages of the North Dorset Local Plan. If any further information or assistance is required please contact the undersigned.

Yours faithfully for and on behalf of **HBF** 

Susan E Green MRTPI Planning Manager – Local Plans