

SD 86 - Purbeck Local Plan: Review of Sources of Housing Supply

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1. Introduction

- 1.1 Following discussions around the way the Council calculated local housing need in the first week of the examination hearings the Council has committed to review the supply of suitable housing land. This paper summarises that review. In the course of preparing the paper the Council has made a number of changes to the way that its evidence is presented in order to show the different sources of supply in a consistent manner.

2. Sources of Housing Supply to be Reviewed

- 2.1 The various sources that make up the overall supply of housing in Purbeck are listed in a table in Policy H2 of the submitted local plan. This table and other sources of supply that need to be reviewed are:
- Completions in 2018/19, which have been excluded from the supply figures in Policy H2;
 - Extant planning consents, which have also been excluded from the supply figures in Policy H2;
 - Allocations in the Purbeck Local Plan, Swanage Local Plan and sources of supply identified in neighbourhood plans. These need to be reviewed to ensure there is no 'double counting' with other sources of supply particularly extant consents and windfall;
 - Windfall development. A single windfall allowance for the local plan area needs to be produced, rather than the separate windfall estimates for Wareham and the rest of the local plan area given in Policy H2. An adjustment is also required to ensure there is no double counting with completions in 2018/19 or with the implementation of extant consents in the five years from 2019/20; and
 - Small sites policy. Changes to the policy have been suggested so that revised Policy H8 would more closely reflect national planning policy, including national policy on green belts. These changes have necessitated a re-assessment of the number of homes likely to be delivered from this source, based primarily on information in the most up to date SHLAA.
- 2.2 The inclusion of 2018/19 completions and extant consents in the supply figures in the table in Policy H2 significantly increases the overall identified supply of housing, even when consequential (and other) adjustments have been made to other sources of supply. It is considered that the reviewed figures provide a more robust baseline to assess whether the higher levels of housing provision suggested at the hearing (180, 200 and 228 dwellings per annum: dpa) could be met from existing sources, or whether additional allocations would be required.

3. Suggested Revisions to the Table in Policy H2

- 3.1 The figure in the table in Policy H2 has been altered as a result of reviewing the different sources of housing supply. A revised table is set out below, which shows an overall supply of 3,062 dwellings over the plan period.

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Source of Housing Supply	Number of homes
Completions April 2018 to March 2019	73
Extant planning permissions at 1 April 2019	512
Unconsented Purbeck Local Plan allocations	
- <i>Lytchett Matravers: Blaney's Corner</i>	25
- <i>Lytchett Matravers: East of Flower's Drove</i>	30
- <i>Lytchett Matravers: East of Wareham Road</i>	95
- <i>Moreton Station: Redbridge Pit & Caravan Site</i>	490
- <i>Upton: West of Watery Lane</i>	90
- <i>Wool: West of Chalk Pit Lane and Oakdene Road</i>	320
- <i>Wool: North East of Burton Cross Roundabout</i>	90
- <i>Wool: North West of Burton Cross Roundabout</i>	30
- <i>Wool: North of the Railway Line</i>	30
Total unconsented Purbeck Local Plan allocations	1,200
Unconsented Swanage Local Plan allocations	40
Neighbourhood plan allocations and sites	
- <i>Bere Regis</i>	105
- <i>Wareham</i>	185
Total neighbourhood plan allocations and sites	290
Windfall	809
Small sites policy sites	138
Total	3,062

Table 1: Proposed Revised Table for Inclusion in Policy H2

3.2 The revisions are explained in more detail below.

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4. Completions for 2018/19

- 4.1 The start date for the local plan is April 2018. Monitoring has been undertaken to show how many net additional homes were completed in the first year of the plan period and this was set out in the council's Five Year Housing Land Supply Report published in May 2019. This shows that 73 net additional dwellings were completed in 2018/19.

5. Extant Consents at 01 April 2019

- 5.1 At the hearing the council stated that the housing land supply set out in Policy H2 (of 2,688 dwellings) did not include extant consents. This is confirmed in paragraph 94 on page 29 of the Council's responses to the Inspector's Matters, Issues and Questions - Matter E: Housing, which states *'the Purbeck Local Plan was prepared in the context of emerging national policy and guidance in relation to the application of the standard method for calculating housing need. At the time of preparing the plan, the Council understood that planning permissions granted before September 2018 should not be counted as contributing towards meeting the local housing need, as calculated using the standard method. As such, existing commitments (pre-September 2018) have not been included in the plan's housing land supply'*.
- 5.2 Paragraph 104 on page 32 of Inspector's Matters, Issues and Questions - Matter E: Housing, states *'as of 1 April 2019, 382 homes which are not currently included in the housing land supply in the plan, had planning permission'*.
- 5.3 A further review of extant consents has been undertaken, which shows that the total number of permissions (as at 1 April 2019) is 512 dwellings. These results are set out in detail in a revised five year housing land supply report produced in July 2019 (SD 87). The main change is to include the unimplemented permissions on allocated sites in the Swanage Local Plan in the 'consents' category, rather than in the 'allocations' category. As a result of this change, the supply has increased significantly (with a corresponding reduction in the number of homes to be delivered on unconsented allocated sites at Swanage from 150 to 40 dwellings).
- 5.4 Another amendment is the inclusion of 9 dwellings on the Cottee's site in Wareham in the 'consents' category, which was previously shown as part of the supply (10 dwellings) from the Wareham Neighbourhood Plan.
- 5.5 An estimate of 20 units has also been included in the supply following the granting of a certificate of lawful use (on 22 March 2019) to site caravans 'for habitation including as a person's sole or main residence' at Manor Farm Caravan Site, Church Lane, East Stoke BH20 6AW. The decision notice for application 6/2018/0675 states that 'The Council is satisfied that the stationing of caravans to be used as a person's sole or main residence is lawful due to previous planning permissions'.
- 5.6 Although a previous certificate of lawful use (from 1998) established the permanent residential use, the site has not been used for that purpose. An application for a residential site licence for 50 permanent homes has been rejected, on the basis that this is too many for the 0.8 hectares site. However, provided there is acceptable spacing between the units, a licence for fewer units will be issued. A conservative

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estimate of 20 homes has been included in the supply from this site, although the actual capacity may be higher.

6. Revisions to the Housing Supply from Allocations in the Purbeck Local Plan

- 6.1 The envisaged supply from the allocated sites remains unchanged.
- 6.2 The anticipated supply from each allocated site in revised Policy H2 has been identified separately and each site has been named in the table to provide clarity.

7. Revisions to the Housing Supply from the Swanage Local Plan

- 7.1 The Swanage Local Plan allocates three sites for housing development for a total of 200 homes. Planning permission has been granted for 110 homes on two of these sites, with permission granted for a further 52 homes on part of the third site. The estimated potential of the residual amount of the third site is 40 dwellings. The extant permissions have been included in the 'consents' category. As a result the supply from the Swanage Local Plan has been reduced to 40 dwellings to reflect the capacity of the remaining allocated land that does not yet have planning permission (although an application for 39 homes has been submitted).
- 7.2 The site at Northbrook Road West has planning permission for 90 homes (planning application reference 6/2017/0713) and the site at Prospect Farm has planning permission for 20 homes (6/2017/0359). The land at Northbrook Road East is the site of the former grammar school. Permission has been granted for 52 homes on the former playing fields (6/2016/0769). The residual area, which is the site of the former grammar school buildings, does not yet have planning permission.

8. Housing Supply from the Bere Regis Neighbourhood Plan

- 8.1 There are no proposed changes to the envisaged supply from the Bere Regis Neighbourhood Plan (105 dwellings in total) in Policy H2. All of the sites in the neighbourhood plan are new allocations, none of which have planning permission. These allocations are detailed in the table below.

Site	No of Homes
Back Lane	55
North Street	12
Tower Hill	3
White Lovington	12

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Former School Site	23
Total	105

Table 2: Housing Supply from the Bere Regis Neighbourhood Plan

9. Revisions to the Housing Supply from the Wareham Neighbourhood Plan

- 9.1 The anticipated supply from the Wareham Neighbourhood Plan has been amended in the proposed changes to Policy H2. The supply from all sources identified in the submitted neighbourhood plan [1] is around 300 dwellings. More recent design work on the site of the former Middle School shows capacity for 55 additional homes (alongside a proposed health hub), which would increase the capacity from 35 to 90 homes. The Neighbourhood Plan is no longer intending to give consideration to the allocation of land west of Westminster Road (for 60 dwellings), as it is no longer required. This means that the overall anticipated supply is now 295 homes. These (and other changes explained below) changes, mean that the supply from allocations in the neighbourhood plan is 185 dwellings. This is the revised figure set out in the suggested changes to Policy H2.
- 9.2 It should be noted that the primary purpose of these changes is to show the different sources of supply in Purbeck in a consistent way in the local plan. On the ground it still remains the case that about 295 dwellings will be delivered in Wareham in total over the plan period. These changes are summarised in Table 3 below.

Source of Supply	Overall supply	NP allocations
Westminster Road Industrial Estate (H5)	30	30
John's Road (H6)	15	15
Hospital / Health Centre site (H8)	40	40
Former Middle School site (GS2)	90	90
Cottee's site (H9)	10	-
Former Gasworks site (H7)	10	10
Windfall	100	-
Total	295	185

Table 3: Housing Supply from the Wareham Neighbourhood Plan

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- 9.3 The neighbourhood plan envisages 10 dwellings being constructed on the Cottee's site. This site now has planning permission for 9 dwellings and this number has been included in the figure for extant consents in revised Policy H2. The level of supply from this source in the neighbourhood plan has been reduced accordingly.
- 9.4 A single figure for windfall across Purbeck has been calculated (as discussed below), which includes likely windfall from sites in Wareham. It is not therefore appropriate to retain a separate windfall estimate from Wareham in revised Policy H2 and the level of supply from this source in the neighbourhood plan has been reduced accordingly. Based on work undertaken by the neighbourhood plan group, it is still envisaged that between 75 and 100 homes will be delivered on windfall sites at Wareham over the plan period.
- 9.5 Taken together these changes show the supply from the neighbourhood plan in revised Policy H2 being reduced from 295 to 185 dwellings.

10. Revising the Housing Supply from Windfall: Calculating a Single Plan-wide Future Windfall Rate

- 10.1 Policy H2 indicates that small sites next to existing settlements and windfall within existing settlements (excluding Wareham) will deliver 933 homes. It also indicates that the Wareham Neighbourhood Plan would deliver 300 homes from site allocations and windfall.
- 10.2 In order to obtain a single figure for windfall, it is necessary to separate out the overall windfall figure from the likely level of delivery from small sites and to include the likely level of windfall from Wareham in the overall windfall figure.
- 10.3 In response to Matter E, Issue 2, Question 4 the council shows how the figure of 933 has been derived. A windfall allowance of 46 dpa is assumed over the full 16 years of the plan period. $46 \times 16 = 736$. 75 homes have been subtracted to account for anticipated windfall in Wareham leaving 661 homes. It is also anticipated that 17 dpa will be delivered on small sites. $17 \times 16 = 272$. The figure of 933 is derived from summing 661 and 272.
- 10.4 Notionally, a single overall windfall figure could be arrived at by adding back in the amount of windfall anticipated in Wareham to give a figure of 736. However, this figure requires further modification to avoid 'double counting' as a result of 'adding in' completions and extant consents to the supply.
- 10.5 Before making those changes it is considered appropriate to revisit the way in which the annualised windfall rate has been calculated, as set out in response to Issue 2, Question 4. This shows that:
- the windfall rate has been calculated on a plan area basis over the period from 2008/09;
 - the average windfall rate has been substantially discounted;
 - certain sites completed in 2015/16 have been excluded; and
 - the overall level of windfall has been reduced by 75 to reflect the anticipated windfall in Wareham, for which an allowance is made in the neighbourhood plan.

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- 10.6 The annualised windfall rate has been recalculated:
- on a plan area basis over the last five years (i.e. 2014/15 to 2018/19);
 - by not applying a discount over the whole plan period (although an adjustment is made to avoid double counting in the early part of the plan period);
 - by including most of the ‘excluded’ ‘larger developments’ from 2015/16 in the windfall calculation; and
 - by not reducing the overall figure to reflect anticipated windfall in Wareham, but rather to adjust the likely level of delivery from the neighbourhood plan in the supply.
- 10.7 The approach taken in the submitted plan is to calculate the past windfall rate over a long (11-year) period, which included some high levels of windfall delivery, and then to substantially discount the overall rate from 75 to 46 dpa. The main justification for this seems to be the drop in windfall completions in more recent years, which may be a ‘temporary dip’.
- 10.8 An alternative and more robust approach is now proposed whereby the rate is calculated on the basis of delivery in recent (the last five) years. As the windfall rate in these years is less than the longer term trend, it is not considered necessary or appropriate to apply a discount to the rate over the plan period as a whole, although it is considered appropriate to adjust the overall supply of windfall in the early part of the plan period to avoid ‘double counting’ of completions and extant consents, as discussed in more detail later.
- 10.9 In 2015/16 a number of windfall completions were excluded from the calculation. The exclusion of the regularisation of the residential use of 45 static caravans at Organford Manor Country Park is considered appropriate, but not the exclusion of the other ‘larger developments’, namely the 21 sheltered apartments at Pound Lane, Wareham and the 24 units at Shore House, Swanage. These changes would increase the windfall completions in 2015/16 from 50 to 95.
- 10.10 A more comprehensive review of completions has resulted in some minor adjustments to the figures for completions over the last five years. Based on the original figures (with ‘larger developments’ included in 2015/16, as discussed above), windfall completions over the last five years would average of 63.4 dpa. Based on the revised figures, windfall completions over the last five years would average 62.2 dpa, which is the figure shown in the table below and used in the revised calculation.

Year	Original windfall completions	Revised windfall completions
2014/15	48	48
2015/16	(50) 95	94
2016/17	47	44
2017/18	54	52
2018/19	73	73

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Total	317	311
5 Year Average	63.4	62.2

Table 4: Windfall Completions 2014/15 to 2018/19

- 10.11 The submitted plan included a windfall allowance for each year of the plan period. Following changes to the way the Council is presenting evidence around land supply, in order to avoid 'double counting' it is not appropriate to include a windfall allowance for the first year (2018/19) now that a figure for completions has been established and included in the supply.
- 10.12 An adjustment also needs to be made to ensure that there is no 'double counting' with the build out of extant consents. In the early part of the plan period, the likelihood is that most windfall completions would be delivered as a result of the implementation of extant consents, rather than as a result of new windfall consents granted post-April 2019. It is considered reasonable to assume that all windfall in 2019/20 and 2020/21 would be delivered from extant consents, effectively resulting in a 40% discount in the five years from 2019/20 onwards.
- 10.13 In combination, these measures effectively mean that the annualised windfall rate would only apply to the last 13 years of the plan period (i.e. 2020/21 to 2032/33). At 62.2 dpa this gives an overall windfall figure (including Wareham) for the plan period of 808.6 dwellings.
- 10.14 On the basis of the revised assessment, the anticipated future delivery from windfall sites (809 dwellings) represents 26.4% of the overall supply (3,062 units).

11. Revisions to the Housing Supply from Proposed Changes to the Small Sites Policy (Policy H8)

- 11.1 Following discussions at the hearings, the council has looked again at the small sites policy (H8) and has suggested revisions to it (and the anticipated level of delivery over the plan period) to ensure that:
- it delivers sustainable development in rural areas, in accordance with paragraph 78 of the NPPF; and
 - does not conflict with national planning policy on green belts.
- 11.2 Policy H8 has been amended to make clear that it would only apply to sites adjoining the settlement boundaries of towns, key service villages, local service villages and 'other villages' with settlement boundaries. This means that the policy would not apply at 'other villages' without settlement boundaries in the settlement hierarchy or at hamlets or other settlements not identified in the settlement hierarchy. This should ensure that any schemes proposed are more likely to be sustainable and in locations that 'will enhance and maintain the vitality of rural communities' reflecting paragraph 78 of the NPPF.
- 11.3 Policy H8 has also been amended to make it clear that it would only apply outside the green belt. This change will ensure that the policy does not promote or encourage inappropriate development in the green belt.

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- 11.4 The proposed changes would draw a clearer distinction between Policy H8 and Policy H12 relating to rural exceptions sites. Although Policy H8 would not apply at 'other villages' without settlement boundaries or hamlets, Policy H12 would not preclude rural exception schemes at such settlements, where a local need, which could not be met in other ways, had been identified (and subject to the relevant criteria in the policy).
- 11.5 A more rigorous assessment of sites identified in SHLAA that could deliver housing under a revised Policy H8 has also been undertaken. This assessment is set out in detail in a separate document [SD88]. This shows that the likely level of delivery from the revised policy (based solely on SHLAA sites) is about 138 dwellings rather than the 270 envisaged in the local plan. Revised Policy H2 shows the delivery of 138 dwellings from this source, although it is likely that the introduction of such a policy would see additional sites proposed during the plan period.
- 11.6 On the basis of the revised assessment, the anticipated delivery from the small sites policy (Policy H8) (138 dwellings) represents just 4.5% of the overall supply (3,062 units).

12. Conclusions

- 12.1 The inclusion of 2018/19 completions and extant consents in the figures in Policy H2 significantly increases the overall supply of housing, even when consequential (and other) adjustments have been made. As Table 1 indicates, the review of all sources of housing supply shows an overall supply of 3,062 dwellings over the plan period.
- 12.2 This is a more robust baseline to assess whether the higher levels of housing provision suggested at the hearing (180, 200 or 228 dpa) could be met. Table 5 below shows that the revised housing supply exceeds the updated housing requirement based on 180 dpa (2,880 homes) by 182 dwellings.

Updated annual housing requirement (dpa)	Housing requirement (2018 to 2034)	Revised housing supply	Housing provision above supply
180	2,880	3,062	+182

Table 5: Meeting Increased Housing Numbers to Reflect the Updated Standard Methodology Figures