

**Matter 1 Evidence / 522331
Havelock & Lloyd**

**CHRISTCHURCH & EAST DORSET CORE STRATEGY
EXAMINATION IN PUBLIC**

MATTERS & ISSUES 1/1, 1/4, 1/5 & 1/8

OVERALL STRATEGY

AUGUST 2013

1.0 INTRODUCTION

1.1 This statement comprises a response to the issues identified by the Inspector for the Examination in Public (EIP) into the soundness of the Christchurch & East Dorset Core Strategy (CS). This submission is on behalf of Messrs. Havelock & Lloyd, the owners of land at Blandford Road, Corfe Mullen. The site is identified as falling within the statutory Green Belt (GB), although our historic representations have sought the allocation of the site for a range of uses including:

- Retail
- Medical Surgery / Health Care Facility, with Pharmacy
- Care Home
- Residential Development (where in excess of 400 metres from Dorset heathland)

2.0 MATTER & ISSUE 1/1

2.1 DO THE CS VISION AND OBJECTIVES SET OUT A ROBUST BASIS FOR TACKLING THE KEY ISSUES THAT HAVE BEEN IDENTIFIED?

2.2 The CS Vision and Objectives are not considered to be a robust basis for tackling certain key issues, in particular housing delivery - including affordable housing. This is already of significant concern. The Strategic Housing Market Assessment (SHMA) (East Dorset Summary Update - ED 29), states that there is a need for 426 affordable housing dwellings per annum over the period 2011 - 2016; 2,130 in total.

2.3 However, this can be compared to past affordable housing completions (for which there is conflicting data). The SHMA states, in Figure 2.2, that only 28 have been constructed in the last four years. The East Dorset AMR (OD 11), in the table on Page 42, sets the figure at 65. The difference is likely to reflect whether the completions are counted on the basis of net or gross additions to the housing stock. Evidence from Dorset County Council

monitoring suggests that the SHMA properly counts the dwellings on a net basis.

- 2.4 At an average of 7 dwellings per annum, this is woefully short of actual need. This again indicates that the CS can be made sound by allocating additional sites for development where housing delivery can best be achieved; i.e. on additional greenfield sites. They can deliver high levels of affordable housing that cannot be achieved on small sites.
- 2.5 The CS relies on two principal sources of residential supply; greenfield urban extensions and windfall sites from within the urban area. If either of these sources do not deliver the required quantum of housing, the CS housing objective will fail.
- 2.6 In respect of sites within the urban area, a 'step change' in the delivery of affordable housing is introduced through a new policy; LN 3. This requires all residential development sites to contribute to affordable housing, irrespective of the size of the site - provided that there is a net increase in the number of dwellings. ED 29 also acknowledges this, but states (in Paragraph 5.18) that maximising affordable housing must be tested against the viability of developing land for housing; and that sites will need to be available and suitable, as well as viable (Paragraph 6.8).
- 2.7 There is no evidence that Policy LN 3 will deliver affordable housing to help meet the required target. Thus far, viability testing has only been undertaken in the context of the introduction of the Community Infrastructure Levy (CIL) - see ED 23. This is of concern, given that the CS requires 2,800 dwellings to come forward on sites within the urban area, of which 40% (1,120) should be affordable.
- 2.8 Further submissions on affordable housing will be set out in the response to Matters and Issues 7 (C), but viability remains a key theme of this statement.
- 2.9 Paragraph 4.17 of the CS refers to the housing strategy being informed by a number of evidence based studies, including the 2011 Strategic Housing
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Land Availability Assessment (SHLAA). The SHLAA was updated to 2012 for East Dorset (ED 33), but without being the subject of the external scrutiny as set out in the SHLAA Protocol. This error was subsequently corrected, with the author of this statement being afforded the opportunity, as a Panel Member, to comment on the SHLAA assumptions.

2.10 It is considered that the SHLAA substantially over-estimates the contribution that inner urban, or windfall sites, will make to the housing delivery targets. The following have been identified as key issues:

- Environmental constraints.
- Viability.
- Development on garden land.
- The implementation rate of planning permissions.
- The recent change to the use classes order.

2.11 Environmental constraints and the recent change to the use classes order were considered in our SHLAA response to have a marginal impact on housing delivery. However, viability was considered to be a major constraint. Policy LN 3 will require sites to accommodate a substantially greater level of development in order to cross subsidise the affordable housing. The scale of development would be unlikely to be acceptable for a variety of planning policy and other considerations, including visual impact and the effect on the character of the area.

2.12 Our SHLAA response considered that the impact of Policy LN 3 will result in many potential residential development sites failing to reach land values in excess of either (i) the Existing Use Value (EUV) or (ii) EUV plus sufficient enhanced profit to encourage a landowner to bring a site forward for development.

2.13 Also, the alteration to the definition of brownfield land to exclude residential gardens will lead to an inevitable slowing down of the rate of delivery from this supply source. Historic trends therefore need to be re-evaluated.

- 2.14 It is considered that the viability issues that now need to be considered in the implementation of Policy LN 3 will result in a number of planning permission not being renewed. The SHLAA Panel previously agreed a 10% non-implementation rate. This is advocated again here.
- 2.15 Given the prediction that windfall rates will reduce in the future, the CS needs to have alternative and additional sites allocated for development to meet the residential delivery target. The land at Blandford Road is entirely suitable, as part of a mixed use development that can provide a new local centre for this part of Corfe Mullen.
- 2.16 It is also submitted that the CS fails to meet the requirements of Paragraph 47 of the National Planning Policy Framework (NPPF). This requires the Local Plan (or CS) to meet the “*full, objectively assessed needs for market and affordable housing...*”. Meeting the full needs means to eliminate them. The CS fails to do this - it only seeks to reduce unmet housing need. Urban extensions to accommodate more new housing will fulfil the NPPF requirement.

3.0 MATTER & ISSUE 1/4

3.1 IS THE PROPOSED QUANTUM OF HOUSING DEVELOPMENT (KS 3) JUSTIFIED BY THE EVIDENCE?

- 3.2 There is no evidence to suggest that unmet need in adjacent districts, inward migration and employment growth have been ignored.

4.0 MATTER & ISSUE 1/5

4.1 SHOULD THE HOUSING PROVISION ALLOW 10% FOR VACANCY RATES AND SECOND HOMES; AND PROVIDE A SEPARATE TARGET FOR EACH COUNCIL AREA?

- 4.2 This statement contains no evidence on vacancy rates. However, the inclusion of a separate housing target for each council is supported. Whilst the CS is a joint document, it would be inappropriate for one council to rely

too heavily upon another to achieve the overall housing targets. These will continue to be monitored in the normal way, with separate AMRs advising of development progress - and any shortfalls.

4.3 For example, in Christchurch it would be inappropriate to rely on the East Dorset urban extension sites coming forward for development if the Roeshot Hill strategic allocation is delayed for any reason. Similarly, housing need in East Dorset should not be reliant on the delivery of housing in Christchurch if the Wimborne, West Parley etc. urban extensions are delayed.

4.4 It is for this reason that the CS will be sound if the housing delivery targets, and the components of supply, are robust. This statement proposes the following housing land supply table:

COMPONENT OF SUPPLY	SUB TOTAL	DELIVERY TARGET
Remaining East Dorset Local Plan Allocations ¹		110
Planning Permissions as at March 2012 ²	530	
Less 10% for Non-Implementation	-53	
Total		477
CS Allocations:		
Wimborne Sites	1,260	
Corfe Mullen Sites	280	
Ferndown Sites	178	
West Parley Sites	520	
Verwood Sites	315	
Total		2,553
Unidentified Windfall Sites		2,110
Total		5,250

Table 1: Residential Land Supply in East Dorset

Note 1: Source - East Dorset Monitoring Report, March 2013 (OD 11).

Note 2: Source - Dorset County Council Development Statistics.

4.5 The Wimborne sites are as set out in the CS, but without allowance for the Rugby Club site, as there is uncertainty over its delivery. The Corfe Mullen sites are slightly above the CS level as it is considered that there is an opportunity for development on the subject site at Blandford Road. There is a slight increase at Ferndown to reflect the greater potential on the FWP 3 allocation. The numbers for West Parley reflect the CS. In respect of Verwood, the numbers reflect the allocations in the earlier CS Issues and Options, as these are still considered to be deliverable.

4.6 The total for unidentified windfall sites equates to 140 per annum over the fifteen year plan period. This can be compared to the last six year completions amounting to a total of 742 dwellings for windfall and allocated sites (see the table on Page 36 of OD 11); an average of 124. The figure for windfall sites in Table 1 of this statement therefore still represents an increase on recent trends; notwithstanding the earlier representations regarding the affect of Policy LN 3.

5.0 MATTER & ISSUE 1/8

5.1 IS THE NEED FOR HOUSING TO BE LOCATED OUTSIDE OF THE URBAN AREAS / IN THE GREEN BELT JUSTIFIED BY THE EVIDENCE?

5.2 The matters set out earlier in this statement point to a justification to allocate additional urban extensions, based on a critique of the evidence base. In particular, the affordable housing policy change has been highlighted as a constraint to the development of windfall sites, where EUV's will be at prohibitive levels.

5.3 In addition, the introduction of CIL will add a further burden to the development process, restricting supply, particularly on Previously Developed Land (PDL); and particularly on small sites. This is because Christchurch and East Dorset Councils have commenced consultation on an Affordable Housing Supplementary Planning Document (SPD) (OD 24.1). It suggests that where affordable housing cannot be provided on site, an off site financial payment is made at the rate of £350.00 per metre ² (Gross

Internal Floor Area). If this is eventually adopted, the combined CIL and affordable housing contribution will be £450.00 per metre ².

- 5.4 These costs are extremely high; amounting to anywhere between one third and one half of actual construction costs (which can vary according to how they are defined). This will inevitably impact on the deliverability of windfall sites, with the EUV again being prohibitive to development deliverability.
- 5.5 Because of their low EUV, greenfield sites do not suffer this constraint. They are more readily able to absorb the planning gain costs as the differential between the EUV and the residential development land value is far greater. The CS policy approach should therefore advocate the development of more urban extension sites, including the land at Blandford Road, Corfe Mullen.