

INSPECTOR'S RESPONSE FOLLOWING THE WEST DORSET, WEYMOUTH & PORTLAND LOCAL PLAN EXPLORATORY MEETING

Dear Ms Jordan,

West Dorset, Weymouth and Portland Local Plan

1. I have now had an opportunity to consider matters following the Exploratory Meeting I held at the West Dorset Council Offices on 22nd January 2014 as well as the written response provided to my earlier questions.
2. My comments are made without prejudice to any further conclusions I might reach once examination hearings have taken place but for the moment I am of the opinion that the submitted version of the joint Local Plan for West Dorset District and Weymouth and Portland Borough (LP) potentially meets the legal requirement under the Duty to Cooperate. In addition, you indicated that the Councils were amenable to making changes to address any soundness issues that arose under the Duty including changes to the end date of the Plan.
3. I consider that the majority of other matters I initially identified are potentially capable of resolution through modifications to the Plan. I have also had regard to the statement provided on Sustainability Appraisal Issues¹ and while this will be the subject of more detailed consideration, it is not a reason to delay the start of the examination.
4. There remains, however, the question of housing provision where I have continuing concerns that the Councils have not undertaken an objective assessment of housing needs consistent with the requirements of the National Planning Policy Framework (NPPF). In my view, further work is necessary to provide an up-to-date assessment that comprehensively examines needs and addresses any implications that arise, including those under the Duty to Cooperate and Sustainability Appraisal. I outline my concerns below before setting out possible ways forward.

Housing Issues

5. The pre-submission version of the LP proposed 12,600 new dwellings to meet housing needs during the plan period between 2011 and 2031. This figure was supported by Strategic Housing Market Assessments (SHMA) carried out for the Councils in 2007 and updated in 2011. The update had regard to County Council derived population and household figures and assumptions underlying the 2008-based DCLG² household projections. The outcome was a requirement of 470 dwellings per annum (dpa) in West Dorset and 160 dpa in Weymouth and Portland.

¹ Statement provided by the Councils on Sustainability Appraisal Issues, 3 February 2014

² Department of Communities and Local Government

6. Changes to the LP before submission now envisage housing provision of between 9,100 – 9,640 dwellings in West Dorset and 3,240 – 3,580 units in Weymouth and Portland i.e. overall provision between 12,340 and 13,180. This level of growth compares with previous requirements in the Dorset Structure Plan (14,100 dwellings between 1994 - 2011) but is significantly different from the 18,100 homes for the Housing Market Area identified in the revoked Regional Strategy (2006 – 2026). Circumstances have changed markedly since the RS Panel reached its conclusions but I am not convinced that the housing evidence is sufficiently robust to support current Plan proposals.
7. The SHMAs were originally produced when previous advice in Planning Policy Statement 3 required provision of a sufficient quantity of housing based on need and demand. The updates in 2011 were carried out in compliance with the 2007 DCLG practice guidance³ but before the release of the NPPF. I do not consider the evidence is consistent with the requirements of the NPPF for local planning authorities to identify the full, objectively assessed needs for market and affordable housing and to significantly boost the supply of housing.
8. My concerns in this respect are not diminished by the independent study commissioned to review housing requirements to 2031⁴. This endorses the changes now proposed by the Councils but suggests a cautious view is taken until further information from the 2011 Census becomes available. This is important because the Councils' position is predicated on the interim 2011 household projections published by DCLG in April 2013. These show an unexpected decrease in household formation rates (despite an increase in population) which may have been influenced by an increase in international migration during the past decade as well as the effects of the economic downturn.
9. A number of papers provide guidance on assessing housing needs and emphasise the need for caution when using the latest projections⁵. The latter reflects recessionary trends and potentially means the future needs of concealed households are not adequately represented leading to an underestimate of the true level of household change. In this respect, too much weight may have been given to projections which only cover the period to 2021.
10. In my view, there has been too little assessment of alternative scenarios based on different migration patterns and economic

³ Department for Communities & Local Government, Strategic Market Housing Assessments, Practice Guidance, 2007

⁴ A review of future housing requirements for West Dorset District and Weymouth & Portland Borough, June 2013

⁵ For example see 'Ten key principles for owning your housing number – finding your objectively assessed needs – Planning Advisory Service; Choice of Assumptions in Forecasting Housing Requirements – Cambridge Centre for Housing & Planning Research, March 2013; Planning for housing in England: Understanding recent changes in household formation rates and their implications for planning for housing in England – RTPi Research Report No. 1, January 2014

performance and their impact on household formation were an earlier return to past levels of growth take place. Instead, there is the danger that the Councils are planning to meet a projection rather than responding to requirements founded on an appropriate assessment of housing needs.

11. It is not practical to await the release of 'full' official household projections which are expected in the autumn but I consider it is necessary to review the available data including the imminent release of further census information from ONS⁶. This could help validate the methodology presented in the Councils' independent study where household formation rates based on the 2011 interim projections have been extended to 2031.
12. The shortage of affordable housing is a further problem but one which the Councils say they have no prospect of overcoming during the plan period. The evidence suggests it is increasingly difficult for those in need to access private rented accommodation or compete for owner-occupied housing. This is likely to become worse if short term viability issues make it more difficult to deliver affordable units. I was told adjacent authorities have similar problems, reinforcing the need for the LP to be as effective as possible in maximising the delivery of affordable dwellings.
13. I also consider there are potential issues on the housing supply side where more detailed information is needed to support the Councils' position. The Strategic Housing Land Availability Assessments for both authorities are dated (February 2011 for West Dorset and December 2009 for Weymouth and Portland) while the reliance being placed on the contribution from minor sites requires clarification. Further evidence is needed of past performance to illustrate the reliability of the source making appropriate allowance for factors such as lapse rates, policy constraints and issues including the discounting of rear garden sites. It is also necessary to show that the different categories of minor sites do not give rise to double counting.
14. The Councils claim there is little linkage between employment and housing as objectives for economic growth can be supported by the local labour market where under employment is an issue. Similarly, there is an expectation that older age groups will contribute to the labour supply as people elect to work beyond retirement age. There is insufficient evidence to support these claims or illustrate the extent to which they would off-set the need for younger in-migrants to sustain the economic objectives in the LP. For instance, the demographics for West Dorset show how the population has become increasingly skewed with a higher proportion of older people. This comes from an ageing population but also the attractiveness of the area as a retirement location where older in-migrants may have little desire to pursue employment opportunities.

⁶ Officer for National Statistics

15. Similarly, the implications arising from a decline in younger age groups also needs to be considered if pressures on the housing stock make it increasingly difficult for younger residents to compete in the housing market should future supply not match identified needs.
16. It would therefore be helpful for additional work to be undertaken of employment forecasts using different scenarios to illustrate how economic growth may influence migration. This should be complemented by sensitivity testing of different participation rates in the indigenous workforce, including those in older age groups.

Moving the process forward

17. It seems to me that there are three ways to move the process forward. Firstly, the Councils could request that I suspend the examination to enable the necessary work to be carried out. I would need to be confident that this could be completed within six months. Depending on the outcome of the study changes may be required to the housing strategy. This could conceivably require changes to housing provision and/or a reappraisal of the ability of neighbouring authorities to assist in meeting any unmet need as well the testing of any alterations through the SA/SEA process.
18. Secondly, given the amount of work involved, it may prove more effective and efficient to consider withdrawing the Plan and re-submitting at a later date. This would allow the Councils to take updated household projections into account and also revisit other matters I have drawn attention to previously such as the Green Infrastructure Network and Gypsy and Traveller policy. A future examination could focus on a revised document incorporating changes currently proposed to the submitted version.
19. Finally, I could continue with the examination of the Plan in its current form although there is the risk that I would conclude the Plan is unsound.
20. I do not underestimate the difficulties of predicting how housing needs may change during the plan period. However, it is imperative to have up-to-date and adequate evidence to support the Councils' strategies for housing, employment and other uses which are required by the NPPF. In this context, I do not see how I can properly consider whether the Plan meets objectively assessed need without up-to-date SHMAs.
21. I would be grateful if the Councils would give careful consideration to these options and advise me of the conclusions they reach.

Paul Crysell
Inspector
3rd February 2014