

Home Builders Federation

Matter 2

DARTFORD LOCAL PLAN EXAMINATION

Matter 2 - Meeting Dartford's Housing Needs

Issue 1

Whether the Local Plan has been positively prepared and whether it is justified, effective and consistent with national policy in relation to meeting housing needs.

Relevant policy - S4

1. Has the calculation of Local Housing Need been carried out correctly?

In its response to the inspector's initial questions (EXAM5) the Council note that the assessment of local housing need at the point of submission using the standard method is 750 dwellings per annum (dpa). However, paragraph 61 of the NPPF states that this is a minimum with PPG outlining that there may be circumstances which suggest more homes should be planned for than this minimum.

2. Is the base date of 2017/18 justified and appropriate having regard to the use of the 2020/21 affordability ratio? Alternatively, should the base date be 2020/21?

No. As set out in our representations the starting point of the plan should be from the year from which the affordability ratio is undertaken. This approach is consistent with the Government's inclusion of the affordability uplift in the standard method which was to recognise past under or over delivery within planned supply. The local housing needs as such is a forward-looking assessment of need and logic would dictate that the plan period looks forward from the point of assessment.

3. Is the proposed housing requirement appropriate and is it justified? How has the proposed additional 40 dwellings per annum above the standard method been calculated?

There appears to be confusion as to the justification for the 790-home requirement. In the initial local plan published for its regulation 19 consultation the Council state that the 790 dpa requirement is well related to the known capacity of Dartford's suitable sites but does not go as far as to say that it is based on that capacity. It was also

outlined in paragraph 2.52 that the requirement of 790 dpa, then 14 homes per annum more than the local housing needs assessment, would increase the delivery of affordable housing to better meet its needs and to support economic development in the Borough. Both these are sound reasons for going above the minimum requirement established using the standard method. Increasing the requirement in relation to affordable housing needs is consistent with paragraph 62 of the NPPF and paragraph 2a-024 of PPG and setting housing need in order to support economic development would fall within the parameters set out in paragraph 2a-010 of PPG.

In the submitted local plan the Council state at paragraph 2.58 that the requirement equates to the average level of capacity but also that it is in harmony with the Council's long-standing development growth objectives. It also maintains in paragraph 2.59 the points raised above with regard to affordable housing needs and economic development. However, in addition the Council also state in paragraph 2.57 that it is "... consistent with potentially supporting delivery of some unmet needs in the wider area". As with the other justifications this too is a sound reason for increasing the requirement beyond the minimum and is consistent with both paragraph 61 of the NPPF and paragraph 2a-010 of PPG. The Council have been approached by other authorities constrained by the Green Belt requesting support in line with paragraph 141 of the NPPF and as such it would be justified to adopt a higher housing requirement. What is not clear to us is on which of these reasons the Council has based its housing requirement.

The HBF would therefore agree that the housing requirement for this local plan should be in excess of the minimum number of homes to be planned for using the standard method. However, where we would disagree with the Council is that the proposed 40 additional dwellings per annum is a sufficient response to these challenges. In respect of the unmet needs identified in neighbouring areas there are identified unmet needs in London generally and more specifically in Bexley and more should have been done to consider how Dartford could have addressed these needs in this local plan. In addition, to unmet needs there is also a shortfall, as highlighted in the Council's Housing Needs Assessment, in the delivery of affordable housing of 58 dwellings per annum. Over the plan period this equates to a shortfall of nearly 1,000 affordable homes over a policy compliant plan period. The Council in this instance should have undertaken a Green Belt review and considered whether there were exceptional circumstances to amend Green Belt boundaries. However, the Council considered this to be unnecessary, a stance we consider to be unsound based on the circumstances faced by the Council.

4. What is the extent of any under/ over delivery between the plan start date and the base date of the standard methodology calculation?

Our assessment of under/over delivery based on the level of supply in the submitted plan is an oversupply of 31 homes against the housing requirement at the end of the 2020/21 period, which is consistent with the Council's position in EXAM5.

5. Is policy S4 clear as to the total quantum of housing being planned for over the full plan period?

Whilst the policy sets out the annual requirement no reference is made to the requirement over the whole plan period. Both the annual requirement and total requirement should be set out in policy S4 provide the necessary clarity as to the minimum number of homes the Council are required to plan for.

6. Do the strategic policies look ahead a minimum 15-year period from the anticipated adoption of the plan, as required by paragraph 22 of the Framework?

No. Given that the hearings are due to close on the 30th of November it can reasonably be expected that the adoption will be in the monitoring year 2023/24. As such the Local Plan will look forward for less than 14 years and as such an extra two years should be added to the plan period.

7. How would the plan be able to respond if unmet need from Gravesham is clearly quantified in future?

The Plan would need to be reviewed if it is found that Gravesham cannot meet its housing needs in full. Policy S4 should set out a clear timetable for that review and the submission of a new local plan should that be the case.

Issue 2

Whether the plan will be effective in delivering sufficient affordable housing to meet the needs of the Borough

Relevant policies - M7, M8, M9, M10

Policy M7 - Affordable housing

8. Is the plan sufficiently clear as to the overall level of affordable housing need in the Borough that is required?

No. Neither the supporting text nor the policy state how many affordable homes are needed within Dartford. It is necessary for the Council to be clear as to what its affordable housing needs are as it is a consideration in decision making and it should be clearly stated in the supporting text to policy M7.

9. Is the required level of affordable housing in Central Dartford and elsewhere in the Borough justified? Would it be viable? Would it be sufficiently flexible?

As set out in our representations the HBF is concerned that the viability evidence supporting the local plan indicates that affordable housing delivery at the suggested rates is marginal or will require higher sales values to ensure schemes come forward. The Viability Assessment recognises at paragraph 3.2.19 that development in central

Dartford even at the lower rate of 20% could still prove to be challenging and that site specific negotiation will be required in some cases. Similarly larger flatted schemes across the Borough also face challenging viability scenarios, see tables 2k to 2m of Appendix IIa, with higher values required in order achieve the necessary RLV to make housing development a viable option comparted to existing uses. As the report notes this situation is not unique to Dartford. Higher existing use values on previously developed land alongside the higher costs associated with the remediation and development of such sites will inevitably mean viability is more challenging and affordable housing delivering lower. The marginal nature of development viability across Dartford also means that should the costs faced by the developer increase then even those developments considered to be viable at present may well become unviable. It must be recognised that the cost of raw materials and labour have increased significantly in recently and the housebuilding industry like other across the country face a challenging economic climate. Some of these are due to what are hoped to be short term pressures, but others are due to significant changes in the labour market following the Country's exist from the European Union and will not be fully reflected in the BCIS costs.

As we set out in our representations the Council have responded to the viability assessment and introduced a variable rate depending on the location of the development. This approach is appropriate. However, given the marginal nature of development viability in Dartford and the potential for other costs to have a significant impact on viability we would suggest that a greater element of flexibility is provided for within the policy. The only flexibility provided for in policy is in part 2c) which outlines that in exceptional circumstances off site provision or a commuted sum may be considered. No mention is made in the policy about reducing the amount of affordable housing provided or changing the tenure split within a scheme. There will be circumstances where it will be necessary for such approaches to be taken and the Council must set out the full range of options open to decision makers with regard to the amount of affordable housing that is provided. As set out in our representations we consider M7 should be amended as follows:

- 2. Where residential developments are required to provide affordable housing in accordance with criterion 1, these should:
 - a) Provide a mix of affordable housing tenures, with a target for 35% or more of all dwellings to be defined as affordable housing (except in central Dartford where the target is 20%).
 - b) Ensure that design layouts and facilities are not segregated, with no barriers to access or differences in appearance between different tenures; and
 - c) Make provision on-site.
- 3. In exceptional circumstances where it can be justified that the costs of developing a site mean it is not viable or practical to provide on-site affordable housing the Council will consider:
 - a) off-site provision on an alternative site in the Borough;
 - b) a commuted sum; and/or

c) a reduction in the level of affordable housing to be provided.

This amendment is consistent with paragraph 58 of the NPPF and will provide the necessary flexibility to decision makers and applicants to ensure that development comes forward in Dartford.

10. Are the expectations for the proposed tenure mix justified?

No comment

11.Is the plan sufficiently clear on the expectations for the sizes of the affordable housing units that will be required?

No comment

12. How will any commuted sum payments be calculated and where is this set out in the plan?

For Council.

Issue 3

Whether the plan will deliver an appropriate mix of housing to meet the various housing needs over the plan period and whether the policies for the design, mix and standards of housing justified, effective and consistent with national policy. Housing for different groups

13. Does the plan accord with paragraph 62 of the Framework which states that the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes)?

No comment

Policy M8 - Housing mix

14. Is the proposed housing mix justified and supported by evidence? Would it be viable?

No comment

15. Is the requirement for all homes to meet requirement M4(2): Category 2 – Accessible and Adaptable Dwellings justified?

The Government have now confirmed in their response to the recent consultation on accessible homes¹ that they will make Part M4(2) the mandatory standard. Given this position we would recommend the requirement is deleted to avoid repetition with national policy.

16. What proportion of dwellings would be required to meet M4(3): Category 3 – Wheelchair User Dwellings?

The Council's Housing Needs Assessment provides limited evidence as to the number of homes that need to be built to part M4(3). The evidence states that there is some need on the housing register and homes have been built to such standards in the past, but no consideration appears to have been given to future needs and as such setting a requirement in policy would be unsound. Given that the Council's Viability Assessment indicates that the viability of new development in Dartford is challenging it is important that there is flexibility within policies such as M8 to arrive at a negotiated position on such matters.

17. Is policy M8 sufficiently clear on the expectations for specialist accommodation?

No. At present the policy is not effective as it will not ensure the needs of older people are met. In order to achieve this the Council should set out in policy that there is presumption in favour of such development if needs are not being met. This requires the Council to clearly set out what those needs are and monitor delivery against those assessed needs. Without the amendments the policy is one that is supportive but does not set out the positive actions required of decisions makers should there be shortfalls in the supply of such homes in Dartford.

Mark Behrendt MRTPI Planning Manager – Local Plans SE and E

¹ Raising accessibility standards for new homes: summary of consultation responses and government response (July 2022) https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes-summary-of-consultation-responses-and-government-response



Home Builders Federation

Matter 3

DARTFORD LOCAL PLAN EXAMINATION

Matter 3 – The Spatial Strategy and distribution of development Issue

Whether the Spatial Strategy and the distribution of development are justified, effective and consistent with national policy.

Relevant policies - S1, S4, M13

33.Is the spatial distribution of development across the borough justified and what factors influenced the Spatial Strategy, for example physical and environmental constraints and the capacity to accommodate development?

Given the lack of flexibility in the Council's land supply we would have expected the Council to explore sites in addition to the distribution of development proposed in the local plan. The Council should have recognised this and should have undertaken a review of the Green Belt as part of this local plan. This review would have been able to consider whether boundaries could be amended to support development without having a significant impact on the purposes of this designation and if there were exceptional circumstances to justify such an amendment.

34. What alternative options for the spatial strategy were considered?

It would appear that the only strategy considered by the council was a capacity driven strategy that looked to maximise delivery on brownfield sites. It is not unreasonable to take forward such a strategy where this meets needs and will provide a consistent supply of developable land across the plan period. However, as set out in our matter 9 statements the Council's supply of land does not meet needs in full over the plan period and from 2024/25, they will not be able to show a five-year housing land supply. This suggests that the Council should have examined alternative options that would have met needs in full and ensured sufficient flexibility across the plan period to maintain a five-year housing land supply at all times.

35. Why was the submitted approach chosen and is it an appropriate strategy having regard to reasonable alternatives?

This is principally for the Council to answer but as outlined above the Council did not consider whether there were sustainable sites that could have been brought forward through amendments to the Green Belt boundary that would have ensured needs were met in full including an appropriate buffer to provide the necessary flexibility in supply that would ensure those needs were met.

36.Is the Plan sufficiently clear about the scale of development envisaged in each settlement/ area?

No comment

37.Is the focus of the Spatial Strategy on large-scale brownfield sites justified?

The HBF would not disagree with a focus on brownfield sites, such an approach is consistent with national policy. However, if this strategy does not meet needs in full and leads to an unreliable land supply that could see the plan being considered out of date soon after its adoption, then we would suggest the Council should have looked at alternative strategies that would have provided a more balanced supply of sites in meeting its housing needs. Given the Council has exhausted its supply of brownfield land through this local plan the only available option is to amend Green Belt boundaries in order to identify sufficient supply to meet needs in full. Ideally this should be progressed through this local plan.

38.In other respects, is the approach in Policy S1 justified, effective and consistent with national policy?

No comment.

39. Is table 2 justified and will it be effective?

No comment

<u>40.How will the need for pre-school and special educational needs places be</u> addressed?

No comment

41.Does the plan identify any settlement/ development boundaries and if so, what is the approach to development in such areas?

No comment

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Matter 9

DARTFORD LOCAL PLAN EXAMINATION

Matter 9 - The supply and delivery of housing land

Issue

Whether the approach towards the supply and delivery of housing land is positively prepared, justified, effective and consistent with national policy.

Overall Supply

136. Has there been an update on housing completions from the most recent monitoring year and if so, what is it?

For council

137. What is the estimated total supply of new housing over the period 2017/18-2036/37? How has this been determined? Is the housing trajectory justified?

Based on the Council submitted evidence the total supply of new housing over the period 2017/18 to 2036/37 is 15,646 homes. 154 homes short of meeting needs in full. However, over a policy compliant plan period of 2020/21 to 2037/38 there is likely to be a larger shortfall. The housing requirement over this period is 14,220. There are no submitted figures for delivery in the final year but in order for needs to be met in full would require over 1,000 homes to be built in 2037/38. This shows a lack of flexibility in supply across the plan period and a significant reliance on delivery prior to this plan being submitted in order to meet future needs.

138. What is the estimated supply from site allocations, planning permissions, windfalls for the plan period? What is the evidence to support their delivery and are the estimates justified?

For council.

5-year housing supply

139. What is the requirement for the first five years following the anticipated adoption of the plan and what buffer should be applied?

This will depend slightly on the starting year for the local plan and whether there is a surplus or deficit in supply on adoption and as such have provided in appendix A to this statement a rolling assessment of the five-year housing land supply in Dartford based on a plan period starting 2020/21. The five-year requirement from 2023/24 will be 3,950 homes. If the plan period starts in 2020/21 then by the end of 2022/23 there is a deficit of 332 homes. As required by PPG this will need to be addressed within five years and leads to a five-year requirement of 4,282 homes. A 5% buffer should be applied on the basis of the Housing Delivery Test score of 105%, though the Council can seek to demonstrate it has sufficient supply for the year following the local plan by adopting a 10% buffer as set out in paragraph 73 of the NPPF. A 5% buffer results in a five-year requirement on adoption of 4,496 homes and a 10% buffer of 4,710 homes. If the plan period commences in 2017/18 there will be a deficit of 117 homes in 2022/23 and, when the 5% buffer is included, the five-year requirement post adoption is 4,270 homes. A 10% buffer results in a requirement of 4,474 homes. In Appendix B of the Residential Requirement Report (HOU6) the Council uses a 10% buffer, and it will be important for the Council to confirm its intentions with regard to the buffer.

140. What is the estimated total supply of specific deliverable sites for this period?

It will be for the Council to confirm this position in its hearing statements. However, on the basis of the evidence in HOU2 supply over the 5 years following its likely adoption is 4,558 homes. This would mean that on adoption the Council would have a 5.07-year land supply with a 2020/21 start date and a 5.34-year land supply with a 2017/18 start date using the 5% buffer. Using the 10% buffer the Council would have a 4.84-year land supply using a 2020/21 base date and a 5.09-year land supply using a 2017/18 start date.

141. What is the estimated supply from each source for this?

This is for the Council to answer.

142. What is the evidence to support this and are the estimates justified?

Evidence will need to be provided indicating the deliverability of those schemes included in supply estimates especially those indicated as not having a full planning permission in place. The Council has a marginal five-year land supply on adoption and small changes in supply could lead the council to not having a five-year land supply on adoption and the plan being immediately out of date. The identification of smaller sites on the edge of villages would have provided the council with more of a buffer in these early years of the plan and ensured a healthy five-year housing land supply during his period.

6-10- and 11-15-year land supply

<u>143. What is the estimated total supply of specific developable sites or broad locations</u> for growth for years 6-10 and 11-15?

If the plan period starts, as we suggest it should, in 2020/21 the Council would not have sufficient supply in years 6 to 10 to meet needs. There would be a shortfall in by 2030/31 of 148 homes against needs for the first ten years of the plan period. The impact of this lack of supply in the middle years of the plan can be seen in the projected five-year land supply in appendix 1 to this statement. This shows that from 2024/25 onwards where the Council will not have a five-year land supply aside from one year. It suggests that the Council should have reviewed the Green Belt to ensure a more flexible supply of housing over the plan period and suggests that as a minimum an immediate review of the plan is required.

144. What is the estimated supply from each source for this?

This is for the Council to answer.

145. What is the evidence to support this and are the estimates justified?

For Council

Other

146. Is the windfall allowance justified?

No comment

<u>147. Does the plan provide sufficient flexibility if any key sites do not come</u> forward a<u>s anticipated?</u>

No. As outlined above there is no buffer between the total requirement and total supply. This lack of buffer means that regardless of the plan period the five-year land supply across the plan period is perilous. Even if all sites come forward as the Council expect there will not be a five-year land supply from 24/25. As mentioned earlier the Council should have looked to create some headroom through a review of the Green Belt in order to identify suitable sites that could have delivered more homes in the first 10 years following adoption. As such the HBF suggests that the need for an immediate review is set out in the local plan and that this will include a review of the Green Belt in order to identify suitable and sustainable sites to meet the future needs of Dartford.

<u>148. Overall, would at least 10% of the housing requirement/target be met on sites no larger than one hectare?</u>

This needs to be answered by the Council. It is also important to show that these come forward on allocated sites or on sites identified in the brownfield register. Therefore

projected windfall on smaller sites cannot be considered as part of any assessment as these have not been identified by the Council and do not have any of the benefits arising from allocation or inclusion on the brownfield register – the key reason for the policy and the Government's drive to support SME house builders.

149. Is the trigger for reviewing the plan if cumulative housing delivery on windfall sites reaches 50% justified?

Triggers for the review of any local plan are important however if this plan is considered to be sound on the basis of its current level of supply the Council should be required to undertake an immediate review of the plan in order to identify additional supply and ensure that it is not out of date soon after its adoption.

Mark Behrendt MRTPI Planning Manager – Local Plans SE and E

Appendix A: Rolling Five-year land supply 2020/21 to 2036/37

	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31	31/32	32/33	33/34	34/35	35/36	36/37
Requiremen t	790	790	790	790	790	790	790	790	790	790	790	790	790	790	790	790	790
Cumulative	790	1,580	2,370	3,160	3,950	4,740	5,530	6,320	7,110	7,900	8,690	9,480	10,270	11,060	11,850	12,640	13,430
Delivery	606	655	777	1,039	1,162	1,088	701	568	595	633	718	733	825	997	1,033	578	353
Cumulative	606	1,261	2,038	3,077	4,239	5,327	6,028	6,596	7,191	7,824	8,542	9,275	10,100	11,097	12,130	12,708	13,061
Surplus/ deficit	-184	- 319	- 332	-83	289	587	498	276	81	-76	-148	-205	-170	37	280	68	-369
Five-year requirement	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950	3,950				
add deficit/ surplus	3,950	3,962	3,971	3,974	3,956	3,926	3,897	3,900	3,919	3,940	3,961	3,975	3,991				
Buffer	198	198	199	199	198	196	195	195	196	197	198	199	200				
Total req	4,148	4,160	4,170	4,172	4,154	4,122	4,091	4,095	4,115	4,137	4,159	4,173	4,191				
Five-year supply	4,239	4,721	4,767	4,558	4,114	3,585	3,215	3,247	3,504	3,906	4,306	4,166	3,786				
Surplus/ deficit	92	561	597	386	-40	-537	-876	-848	-611	-231	147	-7	-405				
5YHLS	5.11	5.67	5.72	5.46	4.95	4.35	3.93	3.96	4.26	4.72	5.18	4.99	4.52				

Home Builders Federation HBF House, 27 Broadwall, London SE1 9PL Tel: 0207 960 1600

Email: info@hbf.co.uk Website: www.hbf.co.uk Twitter: @HomeBuildersFed