

Sent by email to: localplan@dover.gov.uk

05/12/2022

Dear Sir/ Madam

Response by the Home Builders Federation to the consultation on the Dover District Local Plan.

1. Thank you for consulting the Home Builders Federation (HBF) on the Dover District Local Plan that is being proposed for submission to the Secretary of State for examination. The HBF is the principal representative body of the housebuilding industry in England and Wales and our representations reflect the views of discussions with our membership of national and multinational corporations through to regional developers and small local housebuilders. Our members account for over 80% of all new housing built in England and Wales in any one year.

SP3 – Housing Growth

The policy is unsound as it not effective and is not sufficiently justified by the evidence base

Housing needs

2. The housing requirement of 10,998 over the plan period 2022 to 2040 is consistent with the minimum number of homes the Council should plan for using the standard method. However, what is not clear from the Council's evidence is whether this level of growth will be sufficient to meet the growth aspirations of the Council. Strategic Policy 6 sets out the Council's aspiration to deliver a minimum of 117,290 sqm of additional employment floorspace over the plan period but we could not find evidence to indicate that this number of homes will be sufficient to support the level of economic growth the Council is aspiring to deliver. The NPPF sets out at paragraph 82c that the potential barriers to investment in an area, such as a lack of housing, needs to be addressed in the plan and the Council need to be certain that the housing requirement set out in SP3 is supportive of its aspirations around economic growth.

Older people's housing needs

3. The HBF is concerned with the limited references to the needs to provide special accommodation for older people. It is noted that the mix of homes on allocated



sites will need to take account of the need for such accommodation but there appears to be no indication of whether this will be sufficient to meet the needs identified in the 2019 SHMA update. It also completely ignores the potential to allocate standalone sites to deliver homes for older people and there is no specific policy setting out the need for such accommodation and how the Council will support such development to come forward outside of the strategic allocations. The HBF would recommend that a policy setting out the Council's support for older people's accommodation is include in the plan. In order to be effective, we would suggest that this policy sets out the need for such accommodation and that there a presumption in favour of such development where needs are not being met.

Housing supply

4. Table 3.1 in the Local Plan states that overall housing supply to meet needs is 11,924, leaving a contingency buffer of 924 homes between housing needs and supply - around 8% of needs. Whilst the HBF welcomes the provision of a buffer between needs and supply we do not consider 8% to be sufficiently large to ensure that needs are met in full over the plan period, especially given that around half of the homes will come from the Whitfield Urban Expansion. In order to ensure the Council's needs are met in full the HBF recommends that a buffer of around 20% is necessary. The additional buffer should be brought forward through the allocation of smaller sites which will deliver earlier in the plan period and provide a buffer in overall supply should there be delays in the delivery of the larger strategic sites in Dover.

Meeting affordable housing needs

5. The most recent Strategic Housing Market Assessment undertaken by the Council is the 2019 update to the 2017 SHMA. This sets out that there is a need for 3,387 new affordable homes between 2020 and 2040. No further assessments appear to have been undertaken since that period. However, the latest AMR indicates that 75 affordable homes were built in 2020/21 with permissions for a further 108 units which can be expected to come forward in 2021/22. As such if the SHMA update is used as the basis for affordable housing needs there remains a need for 3,204 homes over the plan period – around 30% of expected supply on sites that are likely to deliver affordable housing¹.
6. Whilst this would appear to show that on the basis of SP5 the need for affordable housing would be addressed we note that the delivery of affordable housing in the past has been well below what has been expected. The 2020/21 Authority Monitoring Report indicates on page 19 that delivery since 2010/11, the year the Core Strategy was adopted, has been at around 20% of housing completions. In addition, the viability study indicates that the strategic sites will find it challenging to deliver 30% affordable housing. This would suggest that in order to meet needs the Council will need to allocate additional sites.

¹ Total supply of 11,924 less small site windfall allowance of 1,050

Conclusions on housing supply

7. To conclude on housing supply the HBF would recommend that further sites are allocated in this local plan. This would have the twin benefits of meeting the need for affordable housing in the district as well as providing an additional buffer between housing needs and supply.

SP5 – Affordable housing

The policy is unsound as it is not fully justified.

8. This policy requires residential development of 10 or more units to deliver 30% of the homes provided as affordable housing. The update notes on the viability study notes at paragraph 56 that this level of affordable housing requirement is deliverable in high and medium value areas alongside the other costs placed on development by the local plan. However, the study outlines that this level of provision will be challenging on the strategic sites and shows that it would not be viable in lower value areas and in the urban area of Dover. The Council recognises these concerns in part by removing the requirement to provide affordable housing in the urban area of Dover. However, no allowance is made with regard to the lower value areas or strategic sites.
9. Whilst the Council states that aside from the strategic allocation there is little planned development in the lower value area it is still necessary for the policy should reflect this evidence presented by the Council. Paragraph 58 of the NPPF recognises that decision makers should be able to assume that development that a policy compliant scheme is viable. This requires policies that place additional costs on development to reflect the evidence and in cases such as this set different requirements for different areas regardless of the development expectations in those areas. As such the HBF would recommend that the policy is amended to remove the requirement for affordable housing contributions in the lower value areas.
10. It is also notable in tables 10.17 and 10.18 of the Whole Plan Viability Study that the outside of greenfield sites at Deal extra care and sheltered housing for older people is not able to viably deliver affordable housing, Given that such development often comes forward on sustainable PDL sites close to services such development should be specifically excluded within SP5 from providing affordable housing contributions.

CC1 – Reducing Carbon Emissions

The policy is unsound as not consistent with national policy, justified or effective.

11. Through policy CC1 the Council indicate that they expect development to meet the Future Homes Standard (FHS) if this becomes a requirement that is delivered

through local plans. However, the expectation from Government is clear that FHS will be delivered through amendments to the Building Regulations and will not be an optional standard adopted as part of a local plan. The improvements to energy efficiency standards in new buildings and the transition to FHS has already started with the improvements to part L of the Building Regulations that came into force in June of 2022. These will see a circa 30% improvement in CO₂ emissions prior to the introduction of FHS which will ensure that new homes are zero carbon ready from 2025. As such it is not necessary to refer to the Future Homes Standard and the Council should remove reference to the standard in policy which will be delivered as part of changes to part L of the Building Regulations.

12. The HBF is also concerned that the Council do not appear to have tested the Future Homes Standard within the update note on the viability assessment. The update note sets out at paragraph 23 that the initial improvements to the energy efficiency introduced in June of 2022 were included but no additional costings have been made with regard to the Future Homes Standard. The Government expects this to cost the house building industry an extra £100 million per year though this fails to recognise that there is likely to be additional electricity connection costs with the move away from gas and that the assumed reduction in the cost of air source heat pumps is unlikely². Given the significant increase in costs from these new standards will come into force in 2025, not long after the expected adoption of this local plan, these costs should have been considered through the viability assessment.

NE1 – Biodiversity Net Gain

Policy is not needed as this will be delivered through the Environment Act and support regulations.

13. Given that the requirement to provide a 10% Biodiversity Net Gain is set out in legislation and supporting regulations and guidance and will be in force when the plan is adopted, the HBF would question whether it is necessary to include a detailed policy on BNG. Including a detailed policy could lead to inconsistency between policy and legislation should this change either prior to the introduction of BNG at the end of 2023, or if there be changes to regulation and guidance in future. As council notes in para 11.6 the policy is intended to reflect the requirements of the Act and as and we would suggest that it would be more appropriate to refer in policy SP14 to the need to deliver a 10% BNG in line with relevant legislation and guidance.

Conclusion

14. At present we do not consider the plan to be sound, as measured against the tests of soundness set out in paragraph 35 of the NPPF, in the following key areas:

² Building Homes in a changing business environment: an assessment of new and forthcoming additional costs of housing delivery. (HBF, 2022) https://www.hbf.co.uk/documents/12117/HBF_report_-_Building_Homes_in_a_Changing_Business_Environment.pdf

- Economic growth has not been taken into account when considering the minimum number of homes to be planned for;
- Greater flexibility required in the local plan to ensure needs are met in full;
- No specific policy with regard to the needs of older people;
- Affordable housing policy does not full reflect the evidence on viability
- References to Future Homes Standard in policy CC1 unnecessary and unjustified.
- No need to include detailed policy on BNG given that this is a requirement of legislation with associated regulations and guidance.

15. We hope these representations are of assistance in taking the plan forward to the next stage of plan preparation and examination. I would also like to express my interest in attending any relevant hearing sessions at the Examination in Public. Should you require any further clarification on the issues raised in this representation please contact me.

Yours faithfully



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