

**Home Builders Federation**

**Matter 2**

**DOVER Local Plan Examination**

**Matter 2**

**Issue 1 – Local Housing Need and the Housing Requirement – Policy SP3**

*11. To determine the minimum number of homes needed, paragraph 61 of the National Planning Policy Framework (‘the Framework’) states that strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance (‘the PPG’) – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals.*

*Q1 What is the minimum number of new homes needed over the plan period as calculated using the standard method? Are the calculations accurate and do they reflect the methodology and advice in the PPG?*

The HBF would agree with the Council that the minimum number of homes that the minimum number of homes they are required to deliver each year is 611 dwellings and 10,998 homes over the plan period.

*Q2 Have any changes in the methodology, since the preparation of the Plan, resulted in any meaningful or significant changes to the calculation?*

The plan was submitted after the publication of more up to date affordability ratios in March 2023. This indicated that the affordability of housing in Dover had worsened – 9.57 compared to 9.25. However, due to a slightly lower level of household growth over the ten year period between 2023 to 2033 that would be used in in assessing housing needs result in an LHNA of 609 dwellings per annum (dpa). However, this difference is insignificant and does not warrant a change to the housing requirment in the submitted local plan.

*12. The PPG advises that there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method. Circumstances where this may be appropriate include situations where there are growth strategies for an area, where strategic infrastructure improvements are proposed or where an authority is taking on unmet housing needs from elsewhere.*

*Q3 Do any of these circumstances apply to Dover?*

No comment

*Q4 In response to the Inspectors’ Initial Questions, the Council addressed the relationship between jobs and the number of new homes proposed. In summary, it was concluded that the evidence does not support an increase to the housing requirement to account for intended employment growth. Is this conclusion reasonable and supported by the evidence?*

The Council have an ambitious target in policy SP6 to deliver an additional 117,290 sqm of employment floorspace. This is based on the borough seeing growth continue at rates seen in the last five years. This ambition must be supported but it is also important that the level of growth will not be hampered by insufficient housing as is suggested in paragraph 82 of the NPPF.

The Council’s response is based on the 2017 SHMA and concludes that there is sufficient capacity within the current market to absorb the jobs growth arising from the level of employment growth being suggested. However, the 2017 SHMA does not consider the level of employment floorspace that is being proposed in SP6 of the local plan. The 2017 SHMA notes at table 7.1 that between 2015 and 2036 there would be an additional 3,500 jobs in the Dover. This took into account growth rates at the time and an increase in housing of 529 dpa. This estimate of the growth in jobs is not dissimilar to that set out in the Council’s Economic Development Needs Assessment (EEB01) published in 2021 which sets out in table 4.1 that there will be an additional 3,000 of jobs created in Dover between 2020 and 2040. However, the study does undertake a sensitivity test with pre COVID forecasts and suggests in paragraph 4.14 that based on stronger pre-pandemic growth the number of workforce jobs by 2040 would be higher, at 48,500 jobs.

Based on these forecasts the EDNA sets out in table 4.3 that there would need to be a net increase in employment floorspace of 43,815 sqm, based on the latest job density figures. However, the study goes on to consider a second scenario for Dover based on past development rates between 2015/16 and 2019/20. Should the trends during this five year period continue the study estimated that there would be an increase in floorspace of nearly 105,000 sqm. When a 10% buffer is included to take account of delays in development sites coming forward this need increases to 117,000 sqm. This is significantly more than was expected in the 2017 SHMA which based its assumptions on an addition 3,500 jobs created over the plan period, more akin to the number of jobs that generated a floorspace need of circa 43,000 sqm as set out in the EDNA. Given that the Council are proposing to deliver over 2.5 times that level of employment growth the HBF would question whether the 2017 SHMA is an appropriate basis from which to state that the minimum housing requirement will be able to support the proposed level of economic growth and that no additional uplift is required.

Within its response to the initial questions the Council also point to an unemployment rate of 3.6% as evidence that the district’s job market continues to struggle to absorb the available labour supply. However, it is notable that since 2015/16 the unemployment level has, based on the same sources as the Council’s statement, dropped from over 5%, and that during this period net employment floorspace also increased by over 5,000sqm. Whilst this reduction in unemployment will be due to a number of factors it cannot be assumed that the current unemployment rate, whilst being slightly higher than regional averages is an indicator of capacity within the labour market across the plan period. Further work should have been undertaken to ensure that there was alignment between its housing requirement and the proposed growth in employment floorspace without an increased reliance on workers commuting into the district.

*13. The supporting text to Policy SP3 states that a non-implementation reduction of 5% has been applied to the total number of commitments identified in Table 3.1.*

*Q5 What is the justification for the use of a 5% figure? Does this reflect the circumstances in Dover?*

For Council.

*Q6 Is a similar non-implementation rate applied for the Whitfield Urban Extension and/or other allocated housing sites in the Plan? If not, why not?*

For Council.

*Q7 Is the housing requirement of 10,998 (net) new homes over the plan period justified? If not, what should the housing requirement be?*

The housing requirement is consistent with the minimum number of homes the Council are required to plan for. The HBF’s only concern is that no consideration has been given to the alignment between the growth in employment floorspace and whether the number of homes to be delivered will support the growth in employment. Without additional evidence the requirment remains unjustified.

**Issue 3 – Housing Distribution - Policy SP3**

*Q1 Having established a settlement hierarchy, what process did the Council follow to determine the distribution of new development? Was this process robust and based on reasonable judgements about where to direct new development?*

No comment

*Q2 Paragraph 3.45 of the Local Plan states that Deal has seen high levels of windfall development over the past 10 years due to market demand which has resulted in a limited supply of suitable housing sites. How were factors such as market demand considered in making judgements about where to locate new development?*

No comment

*Q3 Table 12 in the Council’s Housing Topic Paper states that, combined, almost 50% of all new housing will occur in Dover and at Whitfield. When considering the acknowledged viability challenges around Dover, and the strategic size and scale of the Whitfield Urban Expansion, is the distribution of development justified?*

There is a risk in placing significant reliance on development in one area to meet housing needs that should development not come forward as expected then housing needs will not be met. This risk is exacerbated where development viability is challenging as is suggested by the viability evidence. This does not mean that development should not be promoted in these areas, but it does mean that a more substantial buffer between needs and supply is needed. In particular the Council should have considered the allocation additional smaller sites across the Borough to offset these risks and support SME housing builders across the district.

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**Home Builders Federation**

**Matter 5**

**DOVER Local Plan Examination**

**Matter 5 – Type and Mix of Housing**

**Issue 1 – Affordable Housing and Viability – Policy SP5**

*Q1 How was the Dover Urban Area defined for the purposes of Policy SP5? Does it reflect the evidence in the Whole Plan Viability Study and Viability Study Update Note?*

The HBF is supportive of the Council’s decision to vary the affordable housing policy recognising the challenging viability scenario facing the Dover Urban Area. However, as stated in our representations we would have expected this to have been extended to other low values areas where, as stated in the Viability Update Note *“… even with increases in sales values relative to development costs the delivery of sites in this area is likely to remain challenging*”. Given that some of these lower value areas are adjacent to wider Dover area consideration should have been given to extending the area where affordable housing is not required to be delivered.

*Q2 How will affordable housing be delivered in the Dover urban area as a result of Policy SP5?*

For Council

*Q3 Are the assumptions regarding infrastructure and Section 106 costs in the Viability Study Update Note still broadly accurate following updates to the IDP? What implications, if any, does the latest evidence in the IDP have on the viability of residential development and the ability to deliver affordable housing?*

For Council

*Q4 Based on the requirements for qualifying developments, how many affordable homes is the Local Plan expected to deliver? How does this compare to the identified need? If needs will not be met, what alternative options has the Council considered?*

For Council.

*Q5 What is the justification for the suggested changes to Policy SP5? Why are they necessary for soundness?*

The HBF do not support amendment AM14 which reinforces that specialist accommodation for older people such as retirement housing will be required to meet policy SP5 despite the viability evidence suggesting that for most areas of Dover this will render such development unviable. The Council has ignored the advice of the viability study which states at paragraph 10.83 to 10.85 that in the case of Sheltered housing, the appraisals produced a residual value that is over the BLV at 30% Affordable Housing on greenfield sites, but only 5% on brownfield sites. For extra care housing the evidence was even more stark with these not being able to viably deliver any affordable housing.

It is important to note that the preferred location for older persons housing is close to services within settlements and as such will come forward predominantly on brownfield sites. The NPPF establishes at paragraph 35 that viability is an issue to be considered at plan making with paragraph 58 clarifying the decision makers should be able to assume that development that complies with the policies are viable. This places greater importance on the plan taking into account the findings of viability at plan making and reflecting these in policy. Whilst the NPPF does not rule out negotiation on such issues as part of the decision making process it should not be a requirement where the Council’s own evidence indicates that the polices in the plan make the development of older people’s housing on brownfield sites unviable across the district.

When considering these issues, the HBF recognises that paragraph 10-007 of the PPG references older people’s housing as being one type of development where there maybe circumstances supporting a further consideration of viability at the plan application stage. However, this paragraph also outlines that these circumstances will be relevant in relation to unallocated sites of a wholly different type to that used in the viability assessment. This indicates that where development scenarios have not been considered this is one such circumstance where viability assessments at the application stage may be necessary and should be considered by the Council. It does not mean that they should give no consideration to their evidence at plan making. Specialist accommodation for older people has been considered by the council with the evidence showing that the policies in this plan will make such development unviable and as such the Council should act on that evidence and not defer it wholly to decision makers on an application by application basis. The HBF would therefore suggest that policy SP5 is amended to reflect the Council’s evidence.

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**Matter 10**

**DOVER Local Plan Examination**

**Matter 10 – Climate Change**

**Issue 1 – Climate Change and Development Requirements – Policies CC1, CC2, CC3, CC4, CC5, CC6, CC7 and CC8**

*Q1 What is the justification for Policy CC1? In the event that changes to the Building Regulations occur in 2025, what is the requirement for a policy in the Local Plan?*

The policy is seeking to second guess what may occur with regard to the Future Homes Standard and whether this will be implemented through Building Regulations or through local plans as, potentially, an optional technical standard. It is our expectation that the Future Homes Standard will be delivered through Building Regulations and the HBF would consider this to be the most effective means in ensuring improvements in energy efficiency in new homes across the country. However, if the policy were to be introduced as an optional technical standard, then it would, as is currently the case, require the Council to provide evidence to support its adoption. The Council cannot pre-empt this situation by including a policy in this local plan adopting a requirement from some point in the future.

Given that it would appear the Government’s intentions are for improvements in energy efficiency to be delivered through building regulations the HBF considers it unnecessary for this policy to reference energy efficiency improvements in relation to residential development. If the Future Homes Standard is introduced through the planning system in 2025 then it will be for the Council to consider its position at that time and whether a partial review of the plan is required to include a relevant policy.

*Q2 Is it sufficiently clear what is expected of applications for planning permission now, ahead of planned changes to the Building Regulations?*

The policy is not clear as to what is expected of applicants ahead of the implementation of the Future Homes Standard or whether, for example, it will seek to require development to achieve reductions in carbon emissions through the consideration of parts a and b of CC1 or whether this will only apply in meeting the lower energy efficiency standards brought in from 2025 and only where these are implemented though the planning system. The policy lack the necessary clarity to be effective and needs to be amended to ensure that both decision makers and applicants are clear as to what is required on a development.

*Q3 Where energy reduction is concerned, is the Plan consistent with paragraph 154(b) of the Framework, which states that any local requirements for the sustainability of buildings should reflect the Government’s policy for national technical standards?*

The policy is not inconsistent with paragraph 154b in that it makes reference to the national standards the Government are proposing to introduce from 2025. However, as set out above to try and second guess how these standards will be implemented is unsound.

*Q4 Have the full range of measures required by Policies CC1, CC2, CC4 and CC8 been tested, alongside other planning policy costs, to determine how they will impact upon the viability of development? Are the conclusions accurate and robust?*

No. Whilst CC1 references the Future Homes Standard in policy CC1 and its implementation from 2025 it has not made any allowance for this within the Viability Update note. The only cost consideration that has been made is in relation to the improvements made to Building Regulations that were included in the 2021 update to the Building Regulations that came in to force in June 2022. The Future Homes Hub report Ready for Zero[[1]](#footnote-1) provides examples as to the additional cost compared to current Building Regulations. For example, to build an end of terrace house to the Future Homes Standard will be around £5,600 per home more expensive than a current home. Whilst this is a relatively small increase it is still important that the full costs of development to ensure development remains deliverable across the plan period.

*Q5 Have any locations that would be ‘suitable in principle’ for medium or large-scale wind turbines been identified? If so, are these locations appropriate and justified by evidence? If not, why not?*

No comment

*Q6 What is the justification for the requirement set out in Policy CC4 for all new dwellings to be built to a higher water efficiency standard? Is this appropriate in all circumstances?*

No comment.

*Q7 What are the reasons for the suggested changes to Policies CC5, CC6 and CC7? Why are they necessary for soundness?*

No comment

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**Matter 11**

**DOVER Local Plan Examination**

**Matter 11 – Natural and Historic Environment**

**Issue 1 – The Natural Environment – Policies SP13, SP14, NE1, NE2, NE4, N5 and NE6**

*Q1 What are the reasons for the suggested changes to Policy SP13? Why are they necessary for soundness?*

No comment.

*Q2 Is it clear to users of the Plan how all development proposals (excluding householder developments) should connect to ‘off-site networks’ under Policy SP14? Will this be possible for all development types and locations?*

No comment.

*Q3 What is the justification for biodiversity net gain requirements in Policy NE1? What information is available to demonstrate that these targets can be achieved?*

As set out in our representations the HBF were concerned that by setting out the detail in this policy that there could be discrepancies between the approach in the local plan and that taken forward by Government. For example, application of this policy to small sites is not reflected accurately given that these sites will now not have to implement the policy until April 2024. It has also been confirmed that BNG will not apply to development impacting on a habitat of an area below a de minimis threshold of 25 meters squared or a 5m linear habitats such as hedgerows and watercourses. As such it will not apply to all planning applications as stated in the policy. Further clarification on the issue of stacking credits will also need to be reflected with regard to criterion 2. It is assumed that this relates to the stacking of credits with other forms of compensation, however this will need to be clarified by the Council. If this is the case then the Council will be aware that the uncertainty around stacking has been address and BNG credits can now be stacked with other credits, such as those for nutrients, is allowed and criterion 2 should therefore be deleted.

As the Inspectors will be aware the uncertainty with regard to the implementation of BNG has escalated to the point at which the Government had to delay the implementation of the legislation due to the significant gaps in the policy and guidance required to support its implementation. Whilst the Government have now stated that BNG will be implemented from January 2024 there is still uncertainty as to the final detail of the guidance for implementing BNG or even whether the deadline will be extended further. Given this situation we would recommend that the Council must state that the implementation of the 10% BNG will be delivered in line with the legislation and only once it is legally required.

On a more specific elements to the policy the HBF does not consider criterion 1a to be sound. There is already an expectation that the mitigation hierarchy will be followed with developers in the first instance avoiding or minimising habitat loss followed by delivering net gains on site and then delivering off site measures where all net gains cannot be delivered onsite. This approach is reinforced through the metric being proposed by DEFRA which will further encourage on site delivery by increasing the amount of credits required to mitigate a development where this is delivered either off site or out of the area.

However, criterion 1a is overly burdensome by requiring development to demonstrate that ecologically meaningful net gains cannot be delivered on site and fails to mention that there will be practical and financial reasons why net gain may not be delivered in full on site. Given that the cost of delivering BNG off site will be more costly then delivering off site there is already an incentive to maximise on site BNG and the Council should ensure that consideration can be given to the practical and financial reasons for not meeting net gains in full onsite. This is particularly important with regard to small sites where the 10% BNG will be significantly more difficult to deliver on site.

*Q4 Is Policy NE1 effective and justified by including requirements for developments to accord with supplementary planning documents?*

SPD is there to provide guidance and should not be used to introduce policy. As such the requirement to accord with SPD shod be amended to have regard to.

*Q5 What are the reasons for the suggested changes to Policy NE1? Why are they necessary for soundness?*

This is for the Council to answer. However, further modifications be needed to reflect any changes/ clarifications in national policy and guidance.

*Q6 Is Policy NE2 (subject to the Council’s suggested changes) consistent with paragraphs 176 and 177 of the Framework, which require great weight to be given to conserving and enhancing the landscape and scenic beauty of AONBs and require the scale and extent of development within these areas to be limited?*

No comment

*Q7 What are the reasons for the suggested changes to Policies NE4, NE5 and NE6? Why are they necessary for soundness? Subject to these changes, will the policies be justified, effective and consistent with national planning policy?*

No comment

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1. Ready for Zero Task Group Report Evidence to inform the 2025 Future Homes Standard (Future Homes Hub, February 2023) [↑](#footnote-ref-1)