

# **Dover District Local Plan Examination Hearing Statement**

## **Matter 2 – Housing Growth and Residential Windfall Development**

**October 2023**

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# 1 Introduction

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- 1.1 Ceres Property have made representations on behalf of the Northbourne Estate as part of the preparation of the Dover District Local Plan, in respect of two sites:
- Land at Jubilee Road, Worth (site reference WOR004)
  - Former Packhouse, Northbourne (site reference NOR222)
- 1.2 Participation in in the plan-making process included representations on the Regulation 19 Submission Document (October 2022) in respect of Land at Jubilee Road, Worth); and The Former Packhouse, Northbourne.
- 1.3 Both sites have been rejected for allocation through the plan-making process, albeit based on erroneous assessment of the site, and without justification.
- 1.4 This Hearing Statement is made in respect of the Dover District Local Plan Examination Matter 2 – Housing Growth and Residential Windfall Development) and seeks to avoid repeating matters already raised within our representations on the Regulation 19 iteration of the Local Plan.

## 2 Issue 3 – Housing Distribution – Policy SP3

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### Question 1

*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?*

- 2.1 The National Planning Policy Framework (NPPF) promotes sustainable development in rural areas, with housing directed to locations where it will enhance or maintain the vitality of rural communities. The NPPF goes on to encourage planning policies to identify opportunities for villages to grow and thrive, particularly if this helps to support local services. In addition, it states that development in one village may support services in a village nearby where there are groups of smaller settlements.
- 2.2 The Planning Practice Guidance (PPG) recognises that people living in rural areas can face particular challenges in terms of housing supply and affordability, while the location of new housing can also be important for the broader sustainability of rural communities. The PPG stresses the need for strategic policies to be informed by an understanding of these needs and opportunities.
- 2.3 Paragraph 3.41 of the draft Local Plan explains that the distribution of housing growth in the District is primarily based on the settlement hierarchy influenced by site availability, environmental constraints and factors of delivery. It goes on to note that a key aim of the growth strategy is to focus development in the least sensitive areas of the District, in order to conserve and enhance the District's rich natural and historic environment.
- 2.4 The distribution of housing across the District is therefore done so in accordance with the settlement hierarchy, with the majority of growth distributed towards the larger centres in the District, namely the Regional, District, Rural Service and Local Centres. Some growth is then apportioned to the Larger and Smaller Villages across the District.

- 2.5 The amount of growth distributed across the District comprises of Local Plan Site Allocations and Extant Supply from planning permissions. This is detailed in Table 12 of the Council's Topic Paper 12, and the percentage split of growth distribution to each tier of settlement is illustrated in Figure 7 (Distribution of Housing by Settlement Hierarchy (Local Plan Allocations and Extant planning permissions)). Figure 7 shows that growth is generally distributed sequentially in accordance with the tier of settlement in the settlement hierarchy (i.e., the majority of growth is distributed towards Dover (incl Whitfield) and the least towards Smaller Villages).
- 2.6 Whilst distributing growth predominantly based upon the settlement hierarchy is a sound approach in principle, we question the robustness of the actual distribution of growth with regards to the distribution of growth across rural settlements, as well as the relationship with Extant Supply.
- 2.7 Paragraph 3.47 of the Local Plan recognises an important part of the Council's growth strategy is to promote the sustainable development of rural areas, to support the vitality of rural communities in accordance with the NPPF and PPG. It also states:
- New housing can enable rural communities to retain and strengthen existing services and community facilities and help to create a prosperous rural economy. At the same time national policy advises that a balance must be achieved between allowing new housing and the need to protect the character and heritage of the settlements themselves, as well as the surrounding countryside.*
- 2.8 In accordance with the above strategy, a fair and proportionate distribution of housing growth among settlements across the District, particularly rural settlements and villages is necessary to continue to support the vitality and rural communities throughout the plan period. However, when reviewing the level of growth distributed towards some rural settlements, our issues are twofold.

- 2.9 The first issue is that whilst the Council have sought to allocate housing in Smaller Villages (namely Ringwould, Chillenden, Nonington, Woodnesborough, Staple and Coldred), the Council have not allocated any growth towards some of the Larger Villages (namely Goodnestone, Northbourne and Ripple). Whilst the Council do state that there are other factors and variables that determine the distribution of growth in addition to the settlement hierarchy (an approach which is generally supported), it is not clear or transparent why some Smaller Villages are receiving housing whilst more sustainable Larger Villages are not.
- 2.10 An example of this is Nonington as a Smaller Village is allocated 35 units, compared to Goodnestone, Northbourne and Ripple all of which are Larger Villages and have no housing allocated throughout the plan period. This is also a greater level of growth than Alkham, Worth and Lydden will receive respectfully. No justification has been provided for this distribution which, if it is owing to other variables as explained by the Council at paragraph 3.41 of the Local Plan, then greater transparency on this process and the degree of weight applied to the position in the settlement hierarchy compared to other variables is required to ensure housing distribution is robust.
- 2.11 Greater levels of growth should be apportioned to the Larger Villages instead of disproportionately distributing it towards Smaller Villages. Likewise high levels of growth towards some settlements such as Aylesham should be more evenly distributed towards Larger Villages; this is explained further in the response to Question 5 under Issue 2 (see paragraphs 2.20 – 2.22 of this Hearing Statement).
- 2.12 Secondly, it is also not clear what influence the Extant Supply of a specific rural settlement has on the decision to allocate land for housing, and the degree of influence depending on the amount of extant supply in a particular village. Notwithstanding that we have significant concerns over the degree of reliance on Extant Supply as a major contributor towards the overall supply of housing across the plan period (such concerns are set out within the Regulation 19 representations and are therefore not copied again here), the Council have failed to show in a transparent manner to what degree the Extant Supply has on the Council's decision making to allocate growth within a rural settlement.

2.13 For example, Goodnestone and Ripple both have an Extant Supply of 0.08% and 0.04% of the total supply respectively, compared to Nonington which has an Extant Supply of 0.1% of total supply and thus has a greater Extant Supply for a smaller size of settlement than Goodnestone and Ripple. Critically however, Nonington is allocated 35 units with a greater Extant Supply than Goodnestone and Ripple. It therefore does not follow that if a settlement has a higher extant supply, it receives less new growth, and therefore greater transparency is required to ensure this process is robust and justified.

2.14 We also draw attention to Northbourne, whose Extant Supply is 214 which equates to 4.15% of total housing supply. Whilst this is significant number, if in this instance the Extant Supply is the sole reason why additional homes have not been allocated in Northbourne, we consider this a flawed and unsound approach to housing distribution for the following reasons:

- By the anticipated time of adoption of the emerging Local Plan in 2024 / 2025, it is likely that a significant proportion of the 214 consented homes will be built out or at least under construction. Thus, this could lead to Northbourne sustaining little to no new planned net growth over the plan period up to 2040.
- As set out in the Regulation 19 representations, extant permissions can lapse, become undeliverable and / or become the subject of market forces which affect viability and commerciality of site delivery. Thus, it makes for a sound and robust spatial strategy to introduce flexibility into the supply of housing through new site allocations in Larger Villages, as well as Extant Supply and windfall allowances.
- Allocating smaller, more geographically clustered sites for housing can often respond more positively to the existing community needs and preferences in terms of supporting existing services and existing residents, allowing downsizing and families to stay local to the village itself.

2.15 To summarise, greater transparency is sought for the Council's decision to allocate higher levels of growth for lower tier settlements than higher tier settlements in the rural areas of the District, as well as provide clarity on the influence of Extant Supply on the decision making for site allocations. Finally greater levels of growth should be apportioned to Larger Villages that will receive relatively low or no additional net growth throughout the plan period over and above Extant Supply.

### **Question 3**

*Table 12 in the Council's Housing Topic Paper 12 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?*

2.16 We do not consider the high proportion of Dover's housing supply over the plan period to be delivered through Dover and the Whitfield Expansion justified. Our concerns relate to representations made at the Regulation 19 stage of consultation which pertain to the over-reliance on strategic scale delivery of housing in several, large locations and the impact this can have on housing delivery in the early years of the plan period, as well as disproportionately distributing new housing growth towards urban settlements / centres at the expense of sustainable rural growth, in accordance with of the NPPF.

2.17 We are concerned that that the potential combined effect of viability challenges relating to the delivery of Extant Supply in Dover and the Whitfield Urban Expansion, as well as the potentially lengthy lead in times of new development of this scale and critical mass could not only lead to a significant proportion of housing delivery failing to make any meaningful form of contribution to the supply of housing in the early years of the Plan period, but that such a significant bulk of new housing in a single location serving a single population may risk fossilising large parts of the District in rural area.



- 2.18 This would be fundamentally unsound as it would conflict with the aims and objectives of the NPPF, and conflict with the proposed growth strategy as set out in the draft Local Plan. In order to make the Local Plan sound, we recommend apportioning greater levels of housing growth towards rural settlements to ensure a robust and flexible supply of housing across the District as a whole.
- 2.19 Please see the representations made to the Regulation 19 Local Plan consultation for full detail of the concerns on the soundness of the proposed approach to housing distribution towards Dover and the Whitfield Urban Expansion.

### **Question 5**

*Is the scale of new housing growth justified at Aylesham, having regard to its role, function and position in the settlement hierarchy?*

- 2.20 Aylesham is proposed to deliver 649 dwellings through Extant Supply and the strategic expansion through draft Policy SA24 'Land south of Aylesham'. Whilst a proportionate amount of new growth towards Aylesham is justified due to its sustainability credentials, there is again a risk that potentially *disproportionately* high levels of growth are proposed towards Aylesham at the expense of allocating new housing towards Larger Rural Settlements, such as Northbourne, which will require new housing to continue and sustain the vitality of such villages over the plan period to 2040.
- 2.21 Again, new strategic developments of 500+ dwellings can have lengthy lead in times and risk a shortfall in housing supply in the early years of the Plan period.
- 2.22 To make the Plan sound, we again recommend apportioning greater levels of housing growth distribution towards rural settlements to ensure a robust and flexible supply of (rural) housing across the District as a whole.

### Question 7

*Has the Council identified land to accommodate at least 10% of their housing requirement on sites no larger than 1 hectare, as required by paragraph 69 of the Framework? Does this include sites which have already been completed?*

2.23 The Council's Housing Topic Paper sets out at paragraph 5.43 and Table 11 how it is meeting its requirement to provide 10% of total housing supply on sites no larger than 1 hectare ("small sites") through its proposed allocations, extant planning permissions as well as small sites windfall allowance.

2.24 Table 11 is copied as follows:

	Number of units	% share towards housing target
Overall housing target	10,998	
10% minimum requirement	1099	
<b>Source of small sites</b>		
Extant planning consent on small sites at 31 <sup>st</sup> March 2022	851	7.7%
Local Plan Allocations (34 sites in total)	516	4.7%
Ash Neighbourhood Plan Allocations	23	0.2%
<b>Total</b>	<b>1390</b>	<b>12.6%</b>
Small sites windfall allowance	1050	9.5%
<b>Total with small sites windfall allowance</b>	<b>2,440</b>	<b>22.1%</b>

2.25 Table 11 shows that through extant planning permissions, Local Plan Allocations and Ash Neighbourhood Plan Allocations, the Council meets the requirement to provide at least 10% of its total housing supply on sites of under 1 hectare, totalling 1,390 units or 12.6% of supply. It also allows for 1,050 homes to be delivered through small site allowance, taking the total supply that can be reasonably expected to be met through small sites to 2,440 dwellings.

2.26 This therefore assumes that 7.7% of the 12.6% supply (minus windfall allowance) will be delivered through extant planning consents and 9.5% of the total supply will be delivered through small site windfall allowance. These two figures contribute to 77.8% of the total small site supply.

- 2.27 Our concerns with the soundness of this approach are twofold: that the supply is so heavily reliant on extant planning permissions; and that the total supply is so heavily reliant on windfall allowance.
- 2.28 Firstly, our concerns regarding reliance on extant planning permissions draw from that expressed throughout this Hearing Statement and representations made at the Regulation 19 stage – that extant permissions lapse, become unviable or become subject to macro-economic circumstances that impact up on their delivery timescales or their deliverability as a whole. In addition, as noted in the Inspector’s question, a lot of the Extant Supply may already be completed at the time of this Examination, or at the very least be completed prior to the adoption of the emerging Local Plan. This would mean the Council’s responsibility to ensure the new Local Plan delivers a minimum of 10% small sites throughout the Plan period may not be fulfilled should a significant proportion of the calculated supply be built out prior to the start of the Plan period.
- 2.29 Secondly, assuming there are significant completions of Extant Supply prior to the adoption of the emerging Local Plan (and therefore reliance on windfall sites emerges as the primary means of ensuring 10% supply of small sites is met) there is no guarantee that windfall development will meet this need across the District. By its very nature windfall allowance is not planned for through proposed allocations but through the market bringing forward supply through speculative planning applications, and therefore the supply through windfall sites is by definition speculative.
- 2.30 As such, given the scope for completions of Extant Supply and the speculative nature of windfall allowance, we have concerns over the robustness of the supply of small sites as required by the NPPF, and therefore its soundness.
- 2.31 In order to make the Plan sound, we recommend allocating additional smaller sites across the District that are capable of delivery housing quickly in the early years of the plan period. Larger Villages, such as Worth, are suitable to accommodate additional modest levels of growth over and above the 25 allocated in the draft Plan particularly for small sites of less than 1 hectare. d