

Home Builders Federation

Matter 2

DOVER LOCAL PLAN EXAMINATION

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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 requirement 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 requirement 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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