

**North Dorset District Council  
Local Development Framework**

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**Managing Housing Land Supply in North Dorset  
Supplementary Planning Document**

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## **1. Introduction**

- 1.1 This Supplementary Planning Document (SPD) has been produced by North Dorset District Council (the Council) and will be used in the assessment of any planning application and the making of any other planning decision to which it is relevant.
- 1.2 The SPD deals with the issue of housing land supply and its purpose is to provide further information as to how the District Council will manage the supply of housing land in accordance with the relevant policies of the Development Plan.
- 1.3 The SPD has been produced within the framework of the North Dorset District Wide Local Plan (the Local Plan), the Bournemouth, Dorset and Poole Structure Plan (the Structure Plan) and Regional Planning Guidance for the South West (RPG10 – the current Regional Spatial Strategy). The District Council has also had regard to Government policy, in particular Planning Policy Statement 3 (PPS 3): Housing and the policies in the emerging Regional Spatial Strategy for the South West (Replacement RSS).
- 1.4 Introductory sections in the SPD explain why it is necessary to manage oversupply and outline the relevant policies from the Development Plan. The SPD examines the current housing land supply situation and the delivery of affordable housing in relation to Local Plan targets. It includes a supplementary policy to manage the release of the Local Plan's remaining unimplemented housing allocations and indicates how the Council will manage the release of further non-allocated sites. A programme for the monitoring and review of the SPD is included in the final section.
- 1.5 The Council monitors housing figures on an annual basis (over the period from 1<sup>st</sup> April to 31<sup>st</sup> March) and publishes them in its Annual Monitoring Report (AMR). The figures in this SPD are based on those in the 2005-06 AMR (i.e. up to 31<sup>st</sup> March 2006) updated to include completions up until 31<sup>st</sup> March 2007 and more recent information, where available. The figures in this SPD are expressed in gross terms (as they are in the Structure and Local Plan) unless otherwise stated.

## 2. Why Manage Oversupply?

- 2.1 'Oversupply' occurs where the rate of housing development in an area exceeds the planned rate of provision. Over time this can result in significantly more dwellings being built than were projected. This is contrary to the 'plan-led' system and the 'plan, monitor, manage' approach to controlling housing land supply advocated by the Government.
- 2.2 The Planning and Compulsory Purchase Act 2004 provides the statutory basis for the 'plan-led' system. Section 38(6) of this Act states:  
*"if regard is to be had to the development plan for the purpose of any determination to be made under the Planning Acts the determination must be made in accordance with the plan unless material considerations indicate otherwise."*
- 2.3 This provision is reflected in Planning Policy Statement 1 (PPS 1): Delivering Sustainable Development, which stresses the important role the plan-led system has in delivering sustainable development. Paragraph 8 states that:  
*"This plan-led system, and the certainty and predictability it aims to provide, is central to planning and plays the key role in integrating sustainable development objectives. Where the development plan contains relevant policies, applications for planning permission should be determined in line with the plan, unless material considerations indicate otherwise."*
- 2.4 Housing provision figures are a key feature of the documents that make up a development plan. They are determined following a detailed analysis of future housing needs, the capacity of the local environment to absorb development and locational considerations, such as accessibility. By taking account of all the relevant factors, the figures should represent a level of development that is consistent with the principle of sustainable development.
- 2.5 Housing provision figures in Structure and Local Plans represent the outcome of a great deal of public consultation during which all the relevant issues are discussed and competing interests considered. Once determined, the figures provide developers with the 'certainty and predictability' that sufficient land will be made available to enable the planned level of housing provision to be delivered. The figures also provide those with 'conservation interests' (in the broadest sense) with the 'certainty and predictability' that the level of housing provision will be managed and controlled. Failure to broadly accord with housing provision figures removes the 'certainty and predictability' that the Government seeks to achieve and undermines confidence in the 'plan-

led' system as an effective vehicle for delivering sustainable development.

- 2.6 The Government also provides guidance on how local planning authorities should seek to deliver sustainable levels and patterns of housing development. Paragraph 9 of PPS 3 sets out the Government's strategic housing policy objectives. One of which is *"to create sustainable, inclusive, mixed communities in all areas, both urban and rural."* Paragraph 11 confirms that the policies in PPS 3 are based upon the principles of sustainable development and states that Local Planning Authorities should apply the principles of 'Plan, Monitor, Manage' to manage the delivery of key outcomes.
- 2.7 Paragraph 62 of PPS 3 indicates that local planning authorities should reflect the principles of 'plan, monitor, and manage' by setting out:  
*"a housing implementation strategy that describes the approach to managing delivery of the housing and previously-developed land targets and trajectories. This should include:*  
.....  
*- An indication of the circumstances in which specific management actions may be introduced should monitoring and review demonstrate that objectives are either not being met or risk not being met.."*
- 2.8 Paragraphs 6.6 to 6.28 of the Structure Plan provide considerable detail on how the housing provision figures for Dorset were determined. In the Structure Plan a market-led approach was rejected in favour of a more sustainable approach which:  
*"allows for demand to be met in certain areas, within the limits of the locational requirements of sustainability and taking account of strategic environmental constraints."* (para. 6.28).
- 2.9 The Local Plan also includes a 'sustainable development strategy' which seeks to: promote major development in the main towns of Blandford, Gillingham and Shaftesbury, moderate growth in Sturminster Newton and limited growth in Stalbridge and the villages (see Policies 1.1 to 1.4).
- 2.10 The SPD will help to ensure that the sustainable levels and patterns of development envisaged in both the Structure and Local Plans are delivered.
- 2.11 These policy considerations show that it is important to manage housing land supply both in order to maintain confidence in the plan led system and to deliver sustainable levels and patterns of development.

### **3. Policies to Which the SPD is Supplemental**

- 3.1 Regulation 13(8) of the Town and Country Planning (Local Development) (England) Regulations 2004 requires that, prior to the production of any Development Plan Documents, policies in an SPD must be in conformity with an 'old policy'. This SPD is supplemental to, and in conformity with, a number of 'old policies' in the Development Plan. These policies relate to the overall level of housing development in North Dorset, the allocation of specific sites for housing, the provision of affordable housing and the monitoring and phasing of housing development in the District.
- 3.2 RPG10 covers the period from 1996 to 2016 and indicates that 2,650 dwellings per annum (dpa) should be provided across Dorset as a whole. The proposed level of development in the Structure Plan, which covers the period from 1994 to 2011, reflects this County-wide annual housing target and housing provision figures for each District are identified to enable it to be met.
- 3.3 The policies from the Structure and Local Plan which this SPD is supplemental to are:

#### ***Bournemouth, Dorset and Poole Structure Plan***

Housing Policy A

#### ***North Dorset District-Wide Local Plan (First Revision)***

Policy 2.1: Housing Provision 1994-2011

Policy 2.3: Distribution of Development

Policy 2.4: Settlement Allocations

Policy 2.8: Monitoring the Availability of Land for Housing

Policy 2.9: Phasing the Release of Land for Development

Policy 2.13: Affordable Housing within Defined Settlement Boundaries

Policy 2.14: Rural 'Exception' Sites for Affordable Housing

Policies BL4, GH4, SB8, SB10, SN4 and ST3: which allocate specific sites for housing development.

- 3.4 Supporting text of the Development Plan is also relevant and provides further information on market and affordable housing provision, phasing and monitoring.

#### ***Relevant Structure Plan Policy***

- 3.5 Housing Policy A from the Structure Plan sets the strategic housing provision figure for the District indicating that "*about 5,900 dwellings*" (gross) should be constructed in North Dorset between April 1994 and March 2011. The supporting text (paragraph 6.30) indicates that this equates to a net estimate of "*about 5,700 dwellings*".

#### ***Relevant Local Plan Policies***

- 3.6 Policy 2.1 of the Local Plan states that:

*“Provision will be made for the construction of about 5,900 dwellings in the period April 1994 – March 2011. This includes about 3,470 dwellings, built or committed at 31<sup>st</sup> March 2000, about 680 dwellings to be built on windfall sites and about 1,750 dwellings to be built on sites allocated under Policy 2.4 of the Plan.”*

- 3.7 Policy 2.3 breaks down the total (gross) housing requirement. It identifies that the *“approximate scale and rate”* of housing development in the District’s six ‘sub-areas’ (the five main towns and rural settlements) shall be as set out below:

Blandford	about 1,050 (62 dwellings/year)
Gillingham	about 1,610 (95 dwellings/year)
Shaftesbury	about 1,170 (69 dwellings/year)
Sturminster Newton	about 640 (38 dwellings/year)
Stalbridge	about 170 (10 dwellings/year)
Rural Settlements	about 1,260 (74 dwellings/year)
Total	about 5,900 (347 dwellings/year)

- 3.8 Policy 2.9 identifies three phases of development covering the periods 1994 – 2000 (Phase 1), 2000 – 2006 (Phase 2) and 2006 – 2011 (Phase 3). The expected rates of development for each phase are set out in Table 3 of the Plan and relate to housing from all sources. This therefore includes both non-allocated and allocated sites. By the time the Local Plan was adopted in January 2003, the first phase had already been completed. Policy 2.4 assigns the remaining allocated sites between the latter two phases and the phasing programmes (for housing from all sources) for the main towns are set out in tables in Part 2 of the Local Plan. Policy 2.9 establishes a phasing mechanism, which indicates that sites may be brought forward early if housing targets are not being met. Conversely it also indicates that:

*“planning permission for any site may be withheld or be subject to conditions restricting the commencement of development until a later phase, if monitoring indicates that: (i) planned construction rates are being significantly exceeded ...”*

- 3.9 Paragraph 2.42 further clarifies Policy 2.9 identifying that the second phase of development ran from 1<sup>st</sup> April 2000 to 31<sup>st</sup> March 2006.
- 3.10 Paragraph 63 of PPS 3 states that Local Planning Authorities should set out the circumstances in which action will be needed to deliver performance within acceptable ranges and gives *“10–20 per cent”* as an example of an acceptable range.
- 3.11 Reflecting this principle contained in PPS3, the Local Plan recognises that housing development across the District as a whole may not always progress in line with the rate of development envisaged in the Structure Plan and outlines the circumstances in which the Council would take remedial action to control housing land supply. This relates



both to the over and under provision of housing land against policy targets.

- 3.12 Policy 2.8 states that the take up of housing land will be monitored and the supporting text (paragraph 2.39) states that:

*“where targets are being significantly exceeded or under achieved (i.e. by + or – 10%), the Council will take steps to rectify the situation as explained in the following section on phasing.”*

- 3.13 The trigger level is reiterated in paragraph 2.45 which specifies that:

*“To merit a change from the phasing programme set out in the Plan it must be shown that planned levels of development are being significantly exceeded or underachieved (i.e. by + or – 10%). This assessment should be made towards the end of a particular phase ...”*

- 3.14 The 10% margin of leeway identified in paragraph 2.39 (and 2.45) of the Local Plan is within the range given in the PPS3 example.

- 3.15 Paragraph 2.45 also clearly establishes that it is appropriate for the Council to seek to control non-allocated sites and allocations as well as identifying the relevant period for initiating such controls. Paragraph 2.42 states:

*“The final phase of 01.04.06 – 31.03.11 will allow for adjustments to be made according to progress on earlier phases. For instance if planned densities on earlier sites have been exceeded or more windfall development than anticipated has come forward, the sites allocated for the final phase may be held back or additional windfall development be refused permission until the situation has stabilised.”*

- 3.16 The end of the Plan’s second phase (i.e. 31 March 2006) was therefore the trigger date in the Development Plan when performance needed to be reassessed.

- 3.17 The Local Plan includes targets for the overall level of provision for affordable housing and how it should be distributed in the District.

Policy 2.13 states that:

*“...negotiations will be held with developers in order to secure a proportion of affordable homes on suitable sites...”* and that *“The overall target in the District is for about 1,170 affordable dwellings (650 subsidised and 520 low cost market) to be provided between 1998 and 2011.”*

Paragraph 2.63 indicates that this figure was derived from the results of the District Council’s 1998 Housing Needs Survey.

- 3.18 Table 2 from the Local Plan sets out a number of housing indicators and shows that the 1,170 affordable dwellings should be provided at an average annual rate of 90 dwellings per annum (dpa).

- 3.19 Paragraph 2.70 of the Local Plan identifies the indicative targets for the delivery of affordable housing in the various sub-areas within the district:
- Blandford 36% (420 dwellings);
  - Gillingham 22% (260 dwellings);
  - Shaftesbury 22% (260 dwellings);
  - Sturminster Newton 9% (100 dwellings); and
  - Stalbridge and the Rural Area 11% (130 dwellings).
- 3.20 The same paragraph also goes on to identify that such targets can be amended in the future to reflect future need surveys.

#### 4. The Housing Land Supply Situation

- 4.1 Housing Policy A in the Structure Plan sets the strategic housing provision figure for the District (i.e. “*about 5,900 dwellings*” (gross) between April 1994 and March 2011). On average 347 dwellings (gross) (about 335 dwellings net) need to be provided each year in order for this figure to be delivered over this 17-year period.
- 4.2 Monitoring shows that the average annual rate of housing development in North Dorset has significantly exceeded the planned rate of provision so that by the end of March 2007 the 5,900 dwellings could easily be delivered from completions and commitments. This is explained below.
- 4.3 By the end of March 2007, 5,778 dwellings (gross) had already been completed in the District at an average annual rate of 444 dwellings per annum (dpa) (gross). This represents a rate of provision 28% above the planned rate of development for the District as a whole. This is clearly above the + or - 10% margin of leeway identified in paragraphs 2.39 and 2.45 of the Local Plan. As a consequence, at the end of March 2007, only 122 dwellings (gross) needed to be built over the next four years in order for the 5,900 dwellings envisaged in the Structure Plan to be provided, as summarised below.

Total strategic requirement (1994 – 2011)	5,900
Less total completions (1994 – 2007)	5,778
Remainder to be built @ 31/03/07	122

- 4.4 In addition, at the end of March 2007 there were extant planning permissions for a further 595 dwellings in North Dorset. This figure included sites with planning permission where development had not yet started and uncompleted units on sites with planning permission where construction was taking place. It excluded allocated sites, and parts of allocated sites, in the Local Plan where there were no extant planning permissions.
- 4.5 In the event that all these permissions were entirely built out by the end of March 2011, the figure of 5,900 dwellings would be exceeded by 473 dwellings (approximately 8.0% oversupply against the total provision figure) as summarised below.

Outstanding consents @ 31/03/07	595
Less remainder to be built	122
Oversupply against total provision (8.0%) @ 31/03/07	473

- 4.6 Even if an allowance is made that some of the existing planning permissions will not be built out by the end of March 2011 there is very little doubt that the 5,900 dwellings figure would be met, because only 21% of the existing stock of permissions at the end of March 2007 needed to be implemented over the next four years for this to be achieved. Also monitoring in spring 2007 showed that the number of units under construction (229 dwellings) exceeded the residual requirement (of 122 units).

- 4.7 Further planning permissions have been granted (or have had resolutions to grant consent) since the end of March 2007, adding to the level of oversupply (see below).
- 4.8 Table 4.1, adapted from the Council's 2006 Annual Monitoring Report, provides a breakdown of housing development by settlement for the period up to the end of March 2007. This shows provision more than 10% above the annualised rate for the District as a whole, but also shows that rates of provision are more than 10% above the planned rate in all sub-areas other than Shaftesbury, where the rate of provision is more than 10% below the planned rate. These figures identify a clear need to exert greater control over the management of housing land supply in the District, since all the actual rates are not only outside the 10% margin of leeway identified in the adopted Development Plan, but are also at or above the higher 20% range given as an example of what might be acceptable in future Local Development Documents in paragraph 63 of PPS 3.

<b>Table 4.1 - N Dorset Residential Development Rates 1994 - 2007 (Gross)</b>					
<b>Sub-Area</b>	<b>Total planned development 1994 - 2011</b>	<b>Dwellings planned per annum 1994 - 2011</b>	<b>Total dwellings built 1994-2007</b>	<b>Average dwellings built per annum 1994 - 2007</b>	<b>% above/below planned dpa</b>
Blandford	1050	62	1133	87	40%
Gillingham	1610	95	1722	132	39%
Shaftesbury	1170	69	518	40	-42%
Sturminster Newton	640	38	601	46	21%
Stalbridge	170	10	158	12	20%
Rural Areas	1260	74	1646	127	72%
<b>North Dorset</b>	<b>5900</b>	<b>347</b>	<b>5778</b>	<b>444</b>	<b>28%</b>
Source DCC Residential Land Monitoring Report 2005 - updated to 2006/07 Column 3 figs. Rounded					

- 4.9 The rate of development is particularly high in the 'rural areas' (i.e. the villages and countryside of the District), where, at the end of March 2007, it was running at 72% above the planned rate of provision. Planned rates were also being significantly exceeded in Blandford, Gillingham, Sturminster Newton, and Stalbridge. The only area with a significant deficit in supply is Shaftesbury.
- 4.10 The existing stock of planning permissions at the end of March 2007, which would enable a further 595 dwellings to be built, can be broken down by sub-area, as shown in Table 4.2 below.

- 4.11 In the cases of Sturminster Newton and Stalbridge, the unimplemented planning permissions would, if implemented, enable the specific sub-area provision figures identified for these settlements in Policy 2.3 to be met over the next four years.

<b>Sub-area</b>	<b>Total planned development 1994 – 2011</b>	<b>Total dwellings built 1994 – 2007</b>	<b>Outstanding consents @ 31/03/07</b>	<b>Completions plus consents</b>
<b>Blandford</b>	1,050	1,133	114	1,247
<b>Gillingham</b>	1,610	1,722	84	1,806
<b>Shaftesbury</b>	1,170	518	43	561
<b>Stur. Newton</b>	640	601	100	701
<b>Stalbridge</b>	170	158	51	209
<b>Rural Area</b>	1,260	1,646	203	1,849

- 4.12 In addition to planned rates being significantly exceeded, Table 4.3 below shows that at the end of March 2007, completions and commitments also already significantly exceeded (i.e. by more than 10%) the specific sub-area total housing provision figures for Blandford, Gillingham, Stalbridge and the Rural Area. Again, it was only in Shaftesbury that there was a significant level of under provision in relation to the identified figures for housing development in Policy 2.3.

<b>Sub-area</b>	<b>Total planned development 1994 – 2011</b>	<b>Planned dev't + 10%</b>	<b>Completions plus consents</b>	<b>% Over or Under Supply</b>
<b>Blandford</b>	1,050	1,155	1,247	+18.8%
<b>Gillingham</b>	1,610	1,771	1,806	+12.2%
<b>Shaftesbury</b>	1,170	1,287	561	-52.1%
<b>Stur. Newton</b>	640	704	701	+9.5%
<b>Stalbridge</b>	170	187	209	+22.9%
<b>Rural Area</b>	1,260	1,386	1,849	+46.7%

- 4.13 These figures do not take account of planning permissions granted since March 2007, developments where the Council has resolved to grant permission but the planning consent has yet to be issued, or the capacity of the remaining allocations, or parts of allocated sites, currently identified for release during Phase 3 of the Local Plan (2006 – 2011). A scheme for 48 units was also allowed on appeal at Bourton Mill, Bourton in 2006, although the Council is legally challenging the decision.

- 4.14 Two further housing development proposals also merit specific mention. In May 2007, the Secretary of State granted consent for two applications for housing on part of the allocated land East of Shaftesbury. These permissions were for a total of 670 units, phased so that only 200 would come forward before 2011. Furthermore, in April 2007 the Council also reaffirmed its intention to grant permission for 110 dwellings on part of the allocated land off Shaftesbury Lane, Blandford, subject to a satisfactory planning agreement being concluded. These proposals will result in a further 310 dwellings being constructed prior to the end of March 2011. Further detail on both these applications is contained in Section 5 below.

***Housing Land Supply – Key Points***

- 4.15 The key points in relation to housing land supply in North Dorset are:
- at the end of March 2007, the figure of 5,900 dwellings (gross) in Housing Policy A of the Structure Plan could be comfortably met from completions and the stock of existing planning permissions, even allowing for some non-implementations;
  - at the end of March 2007 the actual rate of housing development in the District was 28% above the planned rate of provision;
  - the Local Plan's sub-area housing provision figures (1994 – 2011) for Blandford, Gillingham and the rural area had already been exceeded by the end of March 2007. The sub-area housing provision figures for Sturminster Newton and Stalbridge could also be met from the existing stock of unimplemented planning permissions;
  - at the end of March 2007, the actual rate of housing development in Shaftesbury was 42% below the planned rate of provision for the town;
  - The consents at land East of Shaftesbury and the Council's resolution to grant consent on land off Shaftesbury Lane, Blandford, will result in a further 310 dwellings being constructed by the end of March 2011.

## 5 The Supply of Affordable Housing

- 5.1 Policy 2.13 of the Local Plan indicates that negotiations will be held with developers to secure affordable housing on suitable sites within settlements. The policy also sets a target that the Council should seek to achieve for the provision of about 1,170 affordable dwellings between 1998 and 2011. Paragraph 2.70 gives an indication of how this overall level of affordable housing should be distributed across the District, as summarised in the table below. This paragraph also goes on to say that such targets can be amended in the future to reflect future need surveys.

<b>Location</b>	<b>Number of Affordable Dwellings Required</b>	<b>% of Overall Provision Figure</b>
Blandford	420	36%
Gillingham	260	22%
Shaftesbury	260	22%
Stur. Newton	100	9%
Stalbridge & Rural Area	130	11%
<b>Total</b>	<b>1,170</b>	<b>100%</b>

- 5.2 The table below, which has been adapted from the Council's 2006 Annual Monitoring Report, shows affordable housing completions since 1998 to March 2007 by type and settlement.

<b>Location</b>	<b>Subsidised Housing</b>	<b>Low Cost Market Housing</b>	<b>Total Affordable</b>	<b>Local Plan Target</b>	<b>% of Local Plan Target Met</b>
Blandford	99	79	178	420	42%
Gillingham	144	98	242	260	93%
Shaftesbury	48	7	55	260	21%
Str. Newton	65	27	92	100	92%
Stalbridge & Rural Area	128	2	130	130	100%
<b>Total</b>	<b>484</b>	<b>213</b>	<b>697</b>	<b>1,170</b>	<b>60%</b>

- 5.3 The Council is below the rate required to meet the overall Local Plan figure for the provision of affordable housing across the District for the period 1998 – 2011. At the end of March 2007, 9 years (or 69%) of this 13-year period had passed and 60% of the 1,170 affordable dwelling provision figure had been provided, at the rate of 77 dpa. Against Local Plan targets a further 473 affordable dwellings need to be

delivered in North Dorset between April 2007 and the end of March 2011.

- 5.4 Of the 595 outstanding planning permissions at the end of March 2007, 51 were for affordable housing, distributed by settlement as set out below:

Blandford	5
Gillingham	0
Shaftesbury	0
Sturminster Newton	17
Stalbridge	6
Rural Area	23

- 5.5 As of March 2007, affordable housing provision District wide was below the rate expected at this point in the Local Plan period. Although the Council had met its indicative Local Plan affordable housing target for Stalbridge and the rural area and was within 10% of the indicative targets for Gillingham and Sturminster Newton, it was still significantly below the indicative affordable housing targets for Blandford and Shaftesbury.

#### ***More Recent Housing Needs Surveys***

- 5.6 The information above shows performance against the Local Plan's affordable housing provision figures, which were prepared on the basis of the 1998 housing needs survey. The results of the 1998 survey no longer reflect the current need for affordable housing in the District, because the affordability problem has worsened considerably in recent years. The House Price Income Ratio has risen from 7.4 in 2000 to 11.4 in 2005: a rise of 54%. This has led to an increase in the overall need for affordable housing in the District, evidenced by more recent surveys. The Housing Needs Survey update, produced by David Couttie Associates in 2006, states that:
- “7.3.1 The total affordable housing need annually is for 763 units. Net relets of the existing social stock, after RTB impact, averaged 277 units, based on the average of recent years.*
- 7.3.2 Even after allowing for this level of supply, there will still be an annual affordable housing shortfall of 486 units a year (411 shortfall plus 75 assumed new units).”*

#### ***The Emerging Regional Spatial Strategy***

- 5.7 Policy H1 of the submission draft RSS (page 131) states that:
- “provision will be made for at least 30% of all housing development annually across each local authority area and Housing Market Area to be affordable, with authorities specifying rates up to 60% or higher in areas of greatest need.”*
- However, the 77 affordable dpa that is delivered on average each year in North Dorset represents just 17.3% of average annual housing completions (444 dpa gross).



- 5.8 Since the start-date for the RSS is 1<sup>st</sup> April 2006, it is appropriate for the Council to try and improve its performance with regard to the percentage of all housing built as affordable in order to ensure that at least 30% of housing built in the District after this date is affordable.

***Affordable Housing Supply – Key Points***

- 5.9 The key points in relation to the supply of affordable housing in North Dorset are:
- at the end of March 2007, actual rates of affordable housing provision in North Dorset as a whole (77dpa) were below planned rates of provision (90 dpa);
  - As of March 2007, the Council had met its Local Plan affordable housing target for Stalbridge & the rural area and was within 10% of meeting its Local Plan affordable housing targets for Gillingham and Sturminster Newton;
  - At the end of March 2007 only 42% of the identified need for affordable housing in Blandford had been met. In Shaftesbury only 21% of the need had been met;
  - Even assuming all existing planning permissions are implemented, the Council would still be more than 10% below the affordable housing targets in the Local Plan for Blandford and Shaftesbury;
  - More recent housing needs surveys show that the need for affordable housing has increased in the District since 1998.

## 6 The Remaining Potential for Development

### **General Considerations**

- 6.1 When considering the issue of housing land supply in the determination of planning applications, or the making of other planning decisions, the District Council will, as part of its decision making process have regard to this SPD, the content of which is considered to be an important material consideration as it relates to the interpretation of policy.

### **The Remaining Potential for Development**

- 6.2 Housing Policy A of the Structure Plan indicates that “*about 5,900 dwellings*” (gross) should be constructed in North Dorset between April 1994 and March 2011.

- 6.3 Paragraph 2.39 of the Local Plan states that:  
*“Where targets are being significantly exceeded or underachieved (i.e. by + or – 10%) the Council will take steps to rectify the situation... ”.*  
For the purposes of the SPD the terms “significantly exceeded” and “significantly under achieved” shall mean a deviation by plus or minus 10% respectively.

- 6.4 For the purposes of this SPD it is therefore assumed reasonable that both Structure Plan and Local Plan policy as to overall housing numbers across the District will not be breached provided that the total number of dwellings built in the period 1994 to 2011 does not exceed 6,490 dwellings (i.e. 5,900 + 10% (590)).

- 6.5 If the number of dwellings constructed (5,778 to the end of March 2007) is subtracted from 6,490, this indicates that 712 dwellings can be built prior to 2011, without breaching Local Plan policy (i.e. 6,490 – 5,778 = 712). However, not all planning permissions are implemented and it is appropriate to make an allowance for non-implementation. If it is assumed that 10% of consents would not be implemented, then there is the potential for up to 783 further consents without breaching policy (i.e. 712 + 71).

- 6.6 At the end of March 2007 there were outstanding permissions for 595 dwellings. In 2006 48 dwellings were granted consent on appeal at Bourton Mill (subject to a legal challenge). Taken together these commitments account for a large proportion of the potential for additional consents at the end of March 2007 that could be granted without breaching policy, as summarised below.

Outstanding consents @ 31/03/07	595
Plus Bourton Mill appeal decision	48
Total outstanding commitments @ 31/03/07	643
Potential for consents in excess of completions	783
Less existing commitments	643

- 6.7 Planning permission has now been granted for housing on land East of Shaftesbury and the Council has reaffirmed its intention to grant permission for housing on land off Shaftesbury Lane, Blandford. Together these sites will deliver 310 dwellings in the period up to 2011, exceeding the remaining potential for consents identified above.

## 7 Managing the Release of the Remaining Undeveloped Allocations in the Local Plan

- 7.1 Policy 2.4 of the Local Plan includes a list of the sites that are allocated for housing development for the period up to 2011. The remaining allocations (either wholly or partly undeveloped) have the capacity for about 830 dwellings. This figure reflects the recent granting of permission for housing development on land east of Shaftesbury and the reaffirmed intention to grant consent on land off Shaftesbury Lane, Blandford.
- 7.2 For the purposes of the SPD reference to the term “*remaining allocations*” means all the allocated sites identified in Table 7.1 below. Column C in the table in Policy 2.4 of the Local Plan indicates the proposed phasing for the release of these sites. Phase 2 covers the period from 1<sup>st</sup> April 2000 to 31<sup>st</sup> March 2006 and Phase 3 covers the period from 1<sup>st</sup> April 2006 to 31<sup>st</sup> March 2011. These sites (to which Policy SPD 01 below refers), their approximate remaining capacities and their proposed phasing in the Local Plan are listed in the table below:

Site	Approx. Capacity	Proposed Phasing
Site 'F' Off Shaftesbury Lane, Blandford (remaining undeveloped part of the site)	100 <sup>1</sup>	2/3
Site 'E' South of The Meadows, Gillingham	90	3
Land east of Shaftesbury	550 <sup>2</sup>	2/3
Site 'C' N. of Livestock Market, Stur. Newton	90	2
Site 'C' r/o Dikes Bakery, Barrow Hill, Stalbridge (in excess of extant consent)	0 <sup>3</sup>	2
<b>Total</b>	<b>830</b>	

- 7.3 Since Phase 3 has already begun, the current phasing programme would allow the remaining unconsented allocations to be brought forward for development now. It is therefore considered appropriate to amend the phasing programme to hold back the release of these sites.

<sup>1</sup> The figure of 100 dwellings excludes 110 dwellings on land which the Council has recently reaffirmed its intention to grant consent. The remaining undeveloped land outside this application has the capacity for approximately another 100 dwellings.

<sup>2</sup> The figure of 550 dwellings excludes 200 dwellings permitted under the phasing proposals identified at the call in inquiry in respect of the applications on land East of Shaftesbury. The figure of 550 is made up of the 470 units phased for release post-2011 as part of the recent consents and a further 80 units on the land to the north (known as the Hopkins land).

<sup>3</sup> This allocated site is covered by an outline application (2/2003/0188) for housing development. 25 was the best estimate of the number of dwellings which were likely to come forward when detailed consent was sought. An application has recently been submitted by Bellway Homes (2/2007/0223) for 25 dwellings on this site. The units proposed in this application have already been counted as part of the numbers for the site, so approval of this application would not add to the housing numbers in Stalbridge or oversupply generally.

- 7.4 Section 10 of this SPD recognises that a review of the provisions of this document will be needed in the future. An example of a trigger that might necessitate such a review is the submission of the Council's Core Strategy to the Secretary of State.
- 7.5 It is considered highly likely that the final publication of the replacement RSS will necessitate reconsideration of this SPD. On this basis the view is taken that it is appropriate to divide Phase 3 of the Local Plan into two parts. The first period of Phase 3 will run from 1<sup>st</sup> April 2006 and will expire three months after the final publication of the replacement RSS ("the First Period"). The remainder of Phase 3 will constitute the Second Period.
- 7.6 The adoption of this approach will enable the Council to assess the impact of the replacement RSS and take a view as to its future approach to the housing oversupply situation.

#### **POLICY SPD 01: MANAGING THE RELEASE OF THE REMAINING ALLOCATIONS IN THE LOCAL PLAN**

**Proposals for housing development on the Remaining Allocations during the First Period will not be permitted if they will or may result in any of the housing provision figures in Policies 2.1 and 2.3 of the Local Plan being significantly exceeded.**

- 7.7 The remainder of this section provides more detail on individual allocated sites. Land east of Shaftesbury is considered first, followed by, in turn, the other sites listed in Table 7.1 above.
- 7.8 Section 8 provides detail on how applications for development on non-allocated sites will be considered, in the light of the oversupply situation.
- Land East of Shaftesbury***
- 7.9 Policy 2.4 of the Local Plan identifies 23 hectares on the eastern side of Shaftesbury for housing and other associated development. The site is largely greenfield, but includes a portion of previously developed land. It indicates a minimum potential dwelling supply of 680 units, 164 of which (24%) should be affordable. The site is programmed for release and development during Phases 2 and 3.
- 7.10 Two planning applications (ref: 2/2002/0414 and 2/2002/0880) for a comprehensive scheme of 670 dwellings, which covers most of the site, were granted consent by the Secretary of State on 3<sup>rd</sup> May 2007, following a call-in inquiry in January.
- 7.11 The permissions prevent more than 200 dwellings being built before April 2011, which should ensure that oversupply is managed in a manner which is consistent with the total level of housing provision

envisaged for the District in the Development Plan. A further 470 dwellings will be built under these permissions after 2011.

- 7.12 At the extreme northern end of the allocated site there is an area of land outside the land with permission (often referred to as 'the Hopkins land'). This has the approximate capacity for about 80 dwellings, increasing the overall capacity of the allocation to about 750 units. The Council will resist the release of this land for housing development in accordance with Policy SPD 01.

***Site 'F' Off Shaftesbury Lane, Blandford***

- 7.13 Policy 2.4 of the Local Plan indicates that this 8 hectare site has a minimum potential capacity of 260 dwellings, 110 of which should be affordable. The Local Plan envisages that the site should be developed during Phases 2 and 3 of the Plan.
- 7.14 Development on the Shaftesbury Lane site has come forward in phases and has taken place at a higher density than originally envisaged. In the period up to the end of Phase 2 (i.e. 31<sup>st</sup> March 2006) 169 dwellings were completed including 71 low cost market houses. In April 2006, at a time when the Council was starting to review its housing supply situation in line with the Local Plan, the Council resolved to grant consent for a further phase of development comprising 110 dwellings. This still excludes a further portion of the allocated site. This scheme, which the Council recently reaffirmed its intention to grant planning permission for, will take the total number of dwellings permitted to 279 units (i.e. approximately the total number of dwellings envisaged for the site in the Local Plan).
- 7.15 44 of the 110 dwellings in the latest scheme will be affordable and will take the total number of affordable units on site to 115 (i.e. approximately the number of affordable dwellings envisaged for the whole of the allocated site in the Local Plan). This additional development also helps to address the shortfall in affordable housing provision in Blandford and will increase the total number of affordable dwellings built in the town since 1998 from 178 (42% of the Local Plan target) to 222 (53% of the Local Plan target).
- 7.16 It is estimated that the balance of this site allocation has the capacity to accommodate a further 100 dwellings in addition to those already built and to which the current application relates, due to the higher density of the housing that has already been developed / proposed. Whilst further development on this site would make further inroads into the shortfall of affordable housing provision, it would also further worsen the situation with regard to oversupply; both District wide and in Blandford (see Tables 4.1 and 4.3). Consequently, the Council will resist the release of the remaining part of this site for housing development (over and above the 110 dwellings in the recently reconsidered application) in accordance with Policy SPD 01.

**Site 'E' South of The Meadows, Gillingham**

- 7.17 A number of housing sites are allocated in Gillingham with a potential dwelling supply of 734 dwellings minimum. Most of these sites were programmed for release and development in Phase 2 (i.e. before 31<sup>st</sup> March 2006). In Policy 2.4, the 3 hectare site south of The Meadows is proposed for a minimum of 90 units, 22% of which should be affordable. It is programmed for release and development during Phase 3 (i.e. after 31<sup>st</sup> March 2006).
- 7.18 In Gillingham the total planned development is for 1,610 dwellings between 1994 and 2011. By the end of March 2007, this figure had already been exceeded, with 1,722 dwellings completed. A further 84 consents were outstanding at this time. In the event that these consents were implemented (even allowing for 10% non-implementation), this would result in 1,798 dwellings being constructed, which is 11.7% above the sub-area provision figure for the town.
- 7.19 The Local Plan indicates that 260 affordable houses should be built in Gillingham between 1998 and 2011. By the end of March 2007, 242 affordable dwellings (or 93% of this total) had been built. In terms of the adopted planning policy, only a further 18 affordable units need to be built over the next 4 years to meet the Local Plan affordable housing target for the town.
- 7.20 On the basis of the oversupply of housing across the District as a whole and in Gillingham itself, and in the light of a relatively high level of affordable housing provision against Local Plan targets, there is sound justification for holding back the release of this site. Any proposals for housing development on this site submitted during the First Period will be assessed against Policy SPD 01.

**Site 'C' North of the Livestock Market, Sturminster Newton**

- 7.21 Two housing sites are allocated in Sturminster Newton with a potential dwelling supply of 135 dwellings minimum. These are Site 'C' north of the Livestock Market, which was programmed for release and development in Phase 2 (i.e. before 31<sup>st</sup> March 2006) and Site 'D' Honeymead, which was programmed for release and development in Phase 3 (i.e. after 31<sup>st</sup> March 2006). However, the Honeymead site has now largely been developed and the site north of the Livestock Market remains undeveloped, with no outstanding consent. It should be noted that during the current Local Plan period the town's livestock market, which is directly south of Site 'C', closed and is currently being redeveloped. In Policy 2.4, the 3.5 hectare site north of the Livestock Market is proposed for a minimum of 90 units, 22% of which should be affordable.
- 7.22 In Sturminster Newton the total planned development is for 640 dwellings between 1994 and 2011. By the end of March 2007, 601 dwellings had already been completed, with a further 100 consents outstanding. In the event that these consents were all implemented

(even allowing for 10% non-implementation), this would result in 691 dwellings being constructed, which is 8.0% above the sub-area provision figure for the town.

7.23 The Local Plan indicates that 100 affordable houses should be built in Sturminster Newton between 1998 and 2011. By the end of March 2007, 92 affordable dwellings (or 92% of this total) had been built, with outstanding consents for a further 17 affordable units. In terms of the adopted planning policy, the Local Plan affordable housing target for the town can be met from completions and commitments.

7.24 On the basis of the oversupply of housing across the District as a whole and in Sturminster Newton itself, and in the light of a relatively high level of affordable housing provision against Local Plan targets, there is sound justification for holding back the release of this site. Any proposals for housing development on this site submitted during the First Period will be assessed against Policy SPD 01.

***Site 'C' r/o Dikes Bakery, Barrow Hill, Stalbridge***

7.25 Policy 2.4 of the Local Plan indicates that this 1 hectare site has a minimum potential dwelling supply of 10 units, with the proportion of affordable units 'to be discussed'. The Local Plan envisages that the site should be developed during Phase 2 of the Plan. At the time the Local Plan was written, there was concern over access to the site, which potentially limited the scope for housing development. This issue has been resolved and outline consent for 25 dwellings has been granted for a scheme that would cover the whole of the allocated site. A reserved matters scheme was submitted in early 2007.

7.26 The 25 dwellings allowed under the existing planning permission have already been taken into account in the existing housing land supply figures.

7.27 The Council would not wish to preclude a higher density scheme on the site, as this would make more efficient use of land. However, the Council would wish to see any higher density scheme phased, so that no more than the existing number of dwellings already with consent (i.e. 25 units) would be constructed until the new housing figures for the District are formally established.

7.28 In Stalbridge the total planned development is for 170 dwellings between 1994 and 2011. By the end of March 2007, 158 dwellings had already been completed, with a further 51 consents outstanding. In the event that these consents were implemented (even allowing for 10% non-implementation), this would result in 204 dwellings being constructed, which is 20% above the sub-area provision figure for the town.

7.29 Applications submitted during the First Period that seek to increase housing density on this site, will be assessed against Policy SPD 01.



## **8 Managing the Release of Housing Development on Land Other Than the Remaining Allocations**

### ***The Potential for Additional Consents***

- 8.1 Paragraph 2.42 of the Local Plan, which relates to Policy 2.9, indicates that housing development on non-allocated sites may be refused permission where actual rates of development have exceeded planned rates until the situation has stabilised. In North Dorset actual rates of provision have exceeded planned rates (as set out in Table 4.1) and, as stated earlier, there is no remaining potential for additional consents to be granted under the current Local Plan without breaching the policies relating to the overall level of housing provision.

### ***Meeting the District Wide Housing Provision Figure***

- 8.2 The identified potential for additional consents across the whole of the District assumes that a level of provision 10% above 5,900 dwellings (i.e. 6,490 dwellings) is acceptable, by virtue of paragraphs 2.39 and 2.45 of the Local Plan. However, this level of overall provision does not have to be achieved to satisfy the figure of “about 5,900” dwellings for the District in Policies 2.1 and 2.3. A figure less than 10% above 5,900 or even slightly below 5,900 would still satisfy the policy.

- 8.3 As discussed in Section 4, the total number of completions between 1994 and 2007 (5,778 dwellings) coupled with the total number of outstanding planning permissions at the end of March 2007 (for 595 dwellings) and the 310 dwellings that will come forward before 2011 as a result of the recent decisions relating to land east of Shaftesbury and land off Shaftesbury Lane, Blandford exceeds the figure of 5,900 by 783 dwellings. There is little doubt that the 5,900 dwellings figure would be met, because only 21% of the existing stock of permissions needs to be implemented by 2011 for this to be achieved. Typically rates of non-implementation are much lower than this and a rate of 10% is often used in housing land supply calculations. It should also be noted that the number of dwellings under construction at the end of March 2007 (229 dwellings) exceeded the residual requirement (122 units) at that time.

- 8.4 The high degree of certainty that the figure of 5,900 dwellings can be met, therefore gives the Council strong justification for refusing planning permission for any additional housing development (that contributes to housing land supply figures) on non-allocated sites on the basis of current planned rates alone.

### ***Other Housing Land Supply Provision Figures***

- 8.5 In addition to the housing provision figure for the District, the Local Plan also includes:
- housing provision figures for six sub-areas from 1994 to 2011 (i.e. the five main towns and the rural settlements listed in Policy 2.3);

- an affordable housing provision figure for the District from 1998 – 2011 (in Policy 2.13); and
  - indicative affordable housing provision figures for the six sub-areas from 1998 to 2011. These are listed in the supporting text (paragraph 2.70) rather than policy, which also indicates that they may be adjusted in the light of the results of further housing needs surveys.
- 8.6 Details of performance against these other policies and figures are given in Sections 4 and 5 of this SPD and this will need to be taken into account in the consideration of any applications for housing development on non-allocated sites.

***The Development Plan and Material Considerations***

- 8.7 In seeking to make planning decisions in accordance with the Development Plan, the Council will need to have regard to all the other policies in the Development Plan that are relevant to the proposal concerned and the Local Plan's overall Sustainable Development Strategy in Chapter 1. The Council will also need to decide whether the determination should be made in accordance with the Development Plan or whether material considerations indicate otherwise.
- 8.8 The Council will assess applications for, or including, housing development (including proposals for mixed use development) on non-allocated sites on a case-by-case basis. Examples of considerations that may be material to such proposals are:
- the need for affordable housing in the District and / or in a specific sub-area within the District (see paras. 5.6 to 5.9 above);
  - other planning benefits that the housing development would deliver such as the provision of community facilities, regeneration benefits or environmental improvements; and
  - the planning history of the application site.

## **9. Planning Conditions and Agreements**

- 9.1 Policy 2.9 of the Local Plan identifies that where planned construction rates are being significantly exceeded, it might be possible to use conditions to restrict the commencement of, or to phase, development. This could also be achieved through the use of a planning obligation.
- 9.2 The Local Plan envisages that such phasing conditions or agreements could help to overcome oversupply problems by spreading development over a number of years. However, there is an ongoing debate at the regional level and in North Dorset in particular about the level of housing development that is appropriate in rural areas in general.
- 9.3 The current oversupply situation in North Dorset means that the use of phasing would risk storing up oversupply problems for the future and could significantly undermine the 'plan, monitor, manage' approach by limiting the scope for the identification of sustainable sites through the Development Plan process.
- 9.4 For these reasons, the use of conditions restricting the rate of build and / or the commencement of housing development is unlikely to be appropriate, as a means of enabling planning permission to be granted to overcome the oversupply situation.
- 9.5 Conditions and legal agreements will be used to ensure that proposals for forms of development, which would not increase housing land supply, are strictly controlled. The purpose of such conditions and agreements would be to ensure that additional dwelling units were not created. For example, the District Council will seek to control the occupancy of built tourism accommodation by condition or agreement to ensure that it does not become available as open market housing.
- 9.6 The Council will use conditions and agreements to ensure that any affordable dwellings remain available to those in housing need in perpetuity. The District Council will usually require the occupancy of affordable dwellings to be restricted to households with a member on the District Council's Housing Needs Register.

## **10. Monitoring and Future Review**

- 10.1 The Council will monitor this SPD to determine whether it: is having the desired effect; is failing to control oversupply; or is in danger of causing problems of undersupply. The results of monitoring will be published in the Council's Annual Monitoring Report (AMR), which is produced each year in December. The 2006 AMR includes a 'housing trajectory' giving an indication of the level of housing that will be delivered in future years. Future AMRs will also need to make an assessment of the rolling five-year supply of deliverable housing sites. More regular updates on housing land supply will be produced, if necessary, to inform day-to-day development control decisions.
- 10.2 The final published version of the RSS, which is likely to be produced in 2008, will set a definitive housing provision figure for the District for the period from 2006 to 2026. The District Council's intention is to produce a Local Development Framework (LDF), which will deliver an appropriate level of housing development in sustainable locations, to reflect the strategy of the final version of the RSS. The LDF's Core Strategy will both set out the broad pattern of development for the District and establish a mechanism to manage housing land supply in the longer term in accordance with the 'plan, monitor, manage' approach advocated in PPS 3.
- 10.3 The Council will review the need to retain the SPD as the new regional and local policy framework progresses. It is likely that the SPD will be withdrawn soon after the housing provision figures for the District for the period up to 2026 have been formally established in the replacement RSS. If, for whatever reason, the production of the final version of replacement RSS is delayed, the Council will take forward its new policies in the LDF's Core Strategy and, in these circumstances, would look to withdraw the SPD once the Core Strategy had been submitted to the Secretary of State or adopted.