



# **Dorset Council**

## **Housing Delivery Test Action Plan**

**March 2024**

[www.dorsetcouncil.gov.uk](http://www.dorsetcouncil.gov.uk)

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## 1. Introduction

- 1.1.1. Throughout recent years various Government programmes have come forward with the aim of helping support the objective of significantly boosting the supply of new homes. Furthermore, there has been ongoing reform of the planning system which aim to stimulate and support the delivery of new homes.
- 1.1.2. As part of its reforms of the planning system, the Government introduced the 'Housing Delivery Test' (HDT) in 2018 as a mechanism to measure delivery against targets. This HDT measures net additional dwellings delivered against the homes required for each local planning authority in England with results issued annually.<sup>1</sup> At the time of writing this report, the 2022 results were the latest published, being published in December 2023. Dorset Council monitors housing delivery each year and submits returns through the Housing Flow Return to Government. The most recent return was for the monitoring year 01 April 2022 to 31 March 2023, but the corresponding HDT results have not yet been published.
- 1.1.3. The results of the HDT have implications for local planning authorities. If the results of the HDT are less than 95%, an Action Plan should be published. Paragraph 047 of the National Planning Practice Guidance sets out that:

"The action plan is produced by the local planning authority where delivery is below 95% of their housing requirement. It will identify the reasons for under-delivery, explore ways to reduce the risk of further under-delivery and set out measures the authority intends to take to improve levels of delivery<sup>2</sup>".
- 1.1.4. An Action Plan is intended to be a practical document, focused on effective measures aimed at improving housing delivery within an area. This is a Dorset Wide Action Plan incorporating the delivery information for the legacy authority areas of North Dorset, East Dorset, Purbeck, West Dorset and Weymouth and Portland.

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<sup>1</sup> Measurements for the Dorset Council area are based on the legacy local authority boundaries prior to local government reorganisation in 2019.

<sup>2</sup> Paragraph: 047 Reference ID: 68-047-20190722 of planning policy guidance

## 2. Housing delivery in the Dorset Council area

### Latest Performance against the Housing Delivery Test

- 2.1.1. The area covered by Dorset Council is largely rural in character and it has a high quality natural and historic environment. Much of Dorset’s landscape, is subject to national designations and there are multiple sites protected for their international wildlife value. One of the key challenges in planning for the area is managing the level of housing growth within the many environmental designations that exist.
- 2.1.2. Nevertheless, the need to deliver housing, particularly affordable housing, is an important issue for Dorset Council especially given the affordability problems relating to housing in Dorset. A failure to deliver sufficient new homes is likely to negatively impact on the economy, productivity, health, and well-being.
- 2.1.3. Whilst the predecessor Councils identified sites and planned for growth, actual delivery rates over recent years have not always matched those set out in planning policy. The latest performance against the HDT, based on predecessor Councils’ boundaries, are set out below.

Table 1: Housing Delivery Rates

Area of Dorset based on predecessor Councils boundaries	Housing Delivery Test Results (2022 Measurement)
East Dorset <sup>3</sup>	90%
North Dorset	75%
Purbeck	93%
West Dorset, Weymouth and Portland <sup>4</sup>	113%

- 2.1.4. These are the official Housing Delivery Test results published by Government for the 2022 measurement year. Data is now available for the 2023 measurement year which suggests that the result for North Dorset would exceed the 100% housing delivery target.

<sup>3</sup> The HDT result for East Dorset has been measured jointly with Christchurch on the basis that there is currently a joint plan for the Christchurch and East Dorset Area.

<sup>4</sup> The HDT result for East Dorset has been measured jointly with Christchurch on the basis that there is currently a joint plan for the Christchurch and East Dorset Area.

2.1.5. The NPPF places a requirement on local planning authorities to produce a Housing Delivery Test Action Plan where housing delivery is below 95% of the housing requirement. The published data shows that the West Dorset Weymouth and Portland area met its respective requirement for the 2022 measurement year and therefore a Housing Delivery Test Action Plan is not needed for this area. For East Dorset, North Dorset and Purbeck, an Action Plan needs to be produced to respond to the shortfall in delivery. Table 2 describes issues relating to housing delivery across the East Dorset, North Dorset and the Purbeck Area but many of these equally apply across the whole of the Dorset Council area. This Action Plan has therefore been written to cover the whole of the Dorset Council area.

Table 2: Issues Relating to Housing Delivery

1. **Planning Constraints and Policy:** The Council continues to liaise with a range of key stakeholders involved in the planning process to better understand the key factors influencing housing delivery rates in Dorset. Information gathered has been considered alongside direct knowledge of local sites, land and development activity in order to fully understand the reasons for under-delivery.

No.	Type of Constraints	Description
A	Plan Making	The Council is continuing to progress with the development of the Dorset Council Local Plan, that once adopted, will supersede all of the existing Local Plans for West Dorset, Weymouth and Portland, North Dorset, Purbeck and East Dorset. The Local Development Scheme (LDS) 2024 sets out the timetable for Dorset Councils progress with the emerging Local Plan. The revised LDS states that the Dorset Council Local Plan will be submitted to the Secretary of State for examination in the Winter of 2026, with the view that it will be adopted in 2027. It is worth mentioning, that the new NPPF was recently published, and this will change the contents of Local Plans and how these should be examined. At the time of writing, we are waiting for further details on these changes to be published. This expected change, with the adopted Levelling Up and Regeneration Act (LURA) and further guidance on nutrient neutrality and Local Government Elections taking place in May 2024, may impact on the Dorset Wide Local Plan delivery. Any delays to the delivery of the Local Plan may impact on allocating sites to achieve housing targets across Dorset.

B	Nutrients and Levelling Up and Regeneration Act	A significant constraint affecting the deliverability of sites within the Dorset Council area is nutrient neutrality <sup>5</sup> following the advice issued by Natural England on 16 March 2022. Since this was issued, the Government have put in measures to help to unblock housing sites. The approach Dorset Council is taking in each of the 5 catchments that affect Dorset (River Axe, River Avon, Chesil & The Fleet, Somerset Levels and Moors and Poole Harbour Catchment) is different due to the nature of the catchments and the different working arrangement within neighbouring Local Authorities that share the catchment area. For the Poole Harbour catchment, Dorset Council and Natural England's position is that if sufficient wastewater treatment works are required to be upgraded within the catchment through the LURA, the need for development to demonstrate phosphorous neutrality will be removed. An announcement is to be made by the Secretary of State on or before the 1 April 2024 which will clarify the position on phosphorus within the Poole Harbour catchment. Dorset Council (for the Poole Harbour catchment), Somerset Council (for the Somerset Levels and Moors catchment) and Wiltshire Council (for the River Avon catchment) have been awarded funds to deliver nutrient mitigation. Nutrient Neutrality has resulted in delays with the emerging Purbeck Local Plan (2018-2034) examination. Nutrient neutrality has also acted as a significant impediment to the progression of the Dorset Council Local Plan.
C	Designations; Green Belt, Area of Outstanding Natural Beauty (AONB) and Habitats	Greenbelt and AONB designations cover much of the former East Dorset area and act as a barrier to significant levels of housing development. Many of the straightforward development sites allocated within the adopted East Dorset Local Plan have now been built, leaving those that are more difficult to develop. This has resulted in the rate of delivery in the former East Dorset area slowing. Similar issues exist in the former Purbeck area where much of the plan area are covered by the Greenbelt and AONB. Major development within the Greenbelt and AONB would require exceptional circumstances to be demonstrated and this is best achieved through the production of a Local Plan, should evidence support this.

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<sup>5</sup> The approach advocated by Natural England is that any development that leads to an increase in nutrient loading within the catchment of one of the freshwater or estuarine habitats are in unfavourable condition, should be nutrient neutral. This would result in no net increase in nutrients entering the protected habitat sites arising from development via both wastewater and surface water flows.

- 2. Infrastructure and Public Services:** Delivering infrastructure ahead of development can help to de-risk sites and speed up the delivery of housing on large sites. Although Dorset Council supports such an approach, a number of key challenges remain.

No.	Type of Constraints	Description
A	Impacts on existing infrastructure and services	Both large and small sites can have an impact on existing infrastructure and public services, which can slow delivery and negatively impact on local service capacity particularly where challenges exist to increase capacity.
B	Slow delivery of larger sites	Larger sites are often built out more slowly than anticipated. This is partly due to issues surrounding the amount of infrastructure that is required to support such development. It is recognised that providing infrastructure up front does de-risk sites and speed up delivery but it's not commonplace because the cost of doing so often has a negative bearing on cash flow and development viability. We commonly see less essential infrastructure timed to come forward when the development makes a return, i.e. completion or occupation. We also need to ensure that other infrastructure providers are aware of plans for growth. Developer contributions are just that, they are typically not sufficient to cover the total cost of infrastructure and are reliant on other public sector funds.
C	Agreement with external bodies	Given the nature conservation designations, including European sites both within and in close proximity to the plan area, developments often need to provide site specific infrastructure, such as a Suitable Alternative Natural Greenspace (SANG) <sup>6</sup> , or be 'nutrient neutral' <sup>7</sup> to mitigate their impact.

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<sup>6</sup> Suitable Alternative Natural Greenspace (SANG) is the name given to greenspace that is of a quality and type suitable to be used as mitigation to offset the impact of new development on certain European sites. In the Dorset Council area SANGs are provided to mitigate against the negative impacts of new development on the Dorset Heathlands.

<sup>7</sup> Poole Harbour is designated as a Special Protection Area (SPA) and Ramsar site. The Nitrogen Reduction in Poole Harbour Supplementary Planning Document (SPD) requires new development with hydrological catchment covers parts of Purbeck, North Dorset and West Dorset.

3. **Supply Site Issues:** There are a range of supply side issues that affect housing delivery rates in the Dorset Council area. This includes significant environmental constraints and an over-reliance on private housebuilders in respect of housing delivery.

No.	Type of Constraints	Description
A	Land designations	The Dorset Council area is particularly environmentally sensitive when compared to many other parts of the country. As mentioned, the area has a high quality natural and historic environment including respect of its landscape, with large swathes of the plan area being subject to Area of Outstanding Natural Beauty (AONB) designation <sup>8</sup> . In addition to the two AONBs there are two heritage coasts and parts of the plan area (parts of the former East Dorset and Purbeck Council areas) are subject to the Green Belt designation. There are also a large number of nature conservation designations, including European sites both within and in close proximity to the plan area. The high quality of the environment makes it challenging to deliver housing especially given the site-specific mitigation measures that are often required to protect the environment.
B	Reliance on delivery of homes from the private sector	Housing delivery in the Dorset Council area is largely reliant upon private housebuilders. The number of dwellings delivered by the public sector, including the Council itself, is relatively small. The Council does not build housing itself but may work in partnership with a private housebuilder or registered provider to deliver new housing. For example, in the past 5 years, out of around 8,000 new homes delivered, around 1,800 had the involvement of registered providers, leaving around 6,200 number of homes delivered solely by private housebuilders.
C	Granted planning permission not being implemented	The Council's latest monitoring data indicates that there are over 11,060 dwellings in the Dorset Council area that have been granted planning permission but have yet to be developed out, of which around 6,000 dwellings are located in the East Dorset, North Dorset and Purbeck area. The Council will continue to work with the landowners/ developers of these consented schemes to bring them forward as quickly as possible. However, there is a limited amount that the Council can do if a private landowner/ private developer has taken a business decision to 'land bank' a site or develop it out at a slow rate.

<sup>8</sup> There are two AONBs within the plan area, the Cranborne Chase AONB and the Dorset AONB.



D	Inflation	In 2022/2023, there has been a significant increase in the cost of borrowing and the price of building materials. At the time of writing, England is officially in Recession. This has impacted on developers being able to borrow money to bring forward schemes for development, and if they do, schemes being delayed due to scarcity of building materials. This impacts on overall housing delivery and increases the number of planning permissions that have not been developed out.
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4. **Demand Issues:** Demand for housing in the Dorset Council area is high, driven in part by people especially retirees of people close to retirement age, moving to the area from other parts of the country. This means that affordability is a major issue especially for local first time buyers. The affordability of new dwellings can be exacerbated by slow rates of build and reduced scale of delivery.

### 3. Key actions and responses

- 3.1.1. The Council has recognised for some time the need to proactively encourage the delivery of new homes across the Dorset Council area. The aim of this being to increase the rate of housing delivery to meet the housing requirements, exceeding the current rate of delivery. The Planning Practice Guidance advocates an approach similar to that being taken by the Councils.
- 3.1.2. The guidance highlights the importance of understanding the barriers to the delivery of homes and consideration of what measures can be put in place to address the issue, are in detailed in Table 3.

Table 3: Key Actions & Responses

1. **Council Teams:** A number of measures have been put in place by the Implementation Team, Development Management and the Housing Enabling Team, as follows:

No.	Type of Measures	Description
A	The Review of the Local Plan	<p>The role of the Planning Policy Team is to produce and revise planning policy for the area including allocating sufficient development sites to meet the housing and economic needs of the area whilst protecting those areas of high environmental sensitivity:</p> <ul style="list-style-type: none"> <li>The Council are currently working towards replacing the predecessor adopted Local Plans, with one adopted Local Plan for Dorset Council. This will be the first Local Plan for the Dorset Area. Consultation has taken place on Issues</li> </ul>

		<p>and Options in 2021, which identified a housing supply sufficient to meet and exceed the housing requirement to 2040 by some 30,481 dwellings.</p> <ul style="list-style-type: none"> <li>• The Purbeck Local Plan 2018 – amended) requires the delivery of 2,976 residential units throughout the lifetime of that plan (2018-2034), once adopted.</li> </ul> <p>Work is ongoing to progress these plans to increase the supply of housing sites to meet the requirement<sup>9</sup>.</p>
B	The Infrastructure & Delivery Team	<p>The purpose of the Infrastructure &amp; Delivery Team is to encourage and enable the delivery of major development and projects to meet the economic and social needs of the area while respecting its environment and character. The Team consists of landscape architects, urban designers and CIL officers. It has close working ties to Development Management: they are consultees on all major planning applications. Members of the team regularly meet with developers at the pre-application stage or earlier to discuss barriers which may be affecting site delivery. The team also works collaboratively with the Local Plans team to produce new policies, in particular those related to site allocations ensuring that the policies reflect the landscape and design parameters necessary to make them acceptable in planning terms. The team are also responsible to for the collection and administration of the Community Infrastructure Levy (CIL) and S106 planning obligations. The team work closely with a number of external organisations including town and parish councils, Natural England, Dorset AONB Team, Environment Agency, Highways England, Historic England and the NHS.</p>
C	The Development Management Major Applications Teams	<p>The Development Management Major Applications Teams manage larger, complex development cases. Often one dedicated officer is assigned to each case from the outset. This means that the applicant has a single point of contact right from the pre-application stage through to decision at both outline and reserved matters stage. In North Dorset, West Dorset Weymouth and Portland and Purbeck the same officer will be responsible for ensuring compliance with conditions. In East Dorset, technicians are used to help discharge conditions which means that planners have more time to devote to major planning applications. Planning applications procedures also have been reviewed to increase the use of pre-application and Planning Performance Agreement (PPA). The Council is striving to make decisions on major and non-major applications within statutory</p>

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<sup>9</sup> Please use the following link to access the current timetable Local Development Scheme for the emerging Dorset Local Plan: [Dorset Council Local Development Scheme - October 2022](#)

		timescales, and as such takes the default position on minors of not seeking or accepting amendments to those applications where applicants or agents have not engaged with the planning service prior to application submission. On major schemes typically one round of amendments will be accepted.
D	Housing Enabling Team	The Housing Enabling Team continues to work closely with Housing Associations and communities in the area to increase the supply of affordable homes. This includes working with a number of Homes England Strategic Partners to increase investment in the area. There is a pipeline of all affordable rural exception sites with around 60 homes at various stages of the development process.

2. **Planning Processes:** The Council recognises the importance of having a well-resourced, efficient and effective planning service in enabling and supporting housing growth.

No.	Type of Measures	Description
A	Work with external bodies	The Council will work with Homes England, and other Government bodies, on housing delivery matters including bringing forward large sites that have stalled. This is likely to include submitting applications for Government funding.

3. **Supporting the Delivery of Housing:** The Council fully understands that it has a key role in housing delivery, including supporting the market to deliver, by making land available for development at a range of locations and scales.

No.	Type of Measures	Description
A	Make full use of Corporate Strategies to delivery housing	As set out its Corporate Plan (Dorset Council's Plan 2022 – 2024), the Council will maximise the use of Council assets to develop affordable and sustainable housing, including the creation of more social rented housing. The Council is working with Homes England regarding bringing forward proposals on its own land and housing delivery more generally.
B	Deliver its Building Better Lives programme	The programme involves working with developers and health organisations to provide new housing and services, many of which will be affordable homes for local people, key workers employment in the health and social care sector and adults who require various

		degrees of support. The programme has a projected investment from developers of up to £135 million.
C	Finding solutions to bring forward development on-site	<p>Finding solutions by:</p> <ul style="list-style-type: none"> <li>• Working closely with developers to try and resolve any issues that prevent development starting on site.</li> <li>• Working closely with housing associations and registered providers on progressing plans for new housing schemes. The amount of affordable housing being delivered across the Council area is increasing. In 2021/22 494 new affordable homes were built, in 2022/23 644 new affordable homes were built. A Registered Provided development forum has been created to help build on this success.</li> <li>• Supporting community land trusts to deliver new housing. There are around 10 completed community land trust projects in the Dorset Council area, including a large affordable co-housing scheme. The Council is working with a number of groups to bring forward more affordable housing schemes. The Council are submitting a joint funding bid with Dorset Community Action to provide more staffing for housing enabling, this will focus on working with communities to unlock sites.</li> <li>• Exploring potential opportunities to develop a new settlement in the Dorset Council area to help meet the longer-term growth needs of the area.</li> </ul>

4. **Working with Government:** The Council recognises that it cannot act alone to improve housing delivery in the area and that a good relationship with Government, and other stakeholders, will be needed to help improve housing delivery locally.

No.	Type of Measures	Description
A	Work with external bodies	The Council will work with Homes England, and other Government bodies, on housing delivery matters including bringing forward large sites that have stalled. This is likely to include submitting applications for Government funding <sup>10</sup> .

<sup>10</sup> Following a bid to the Brownfield Land Release Fund the Council has recently been awarded £2.13 million grant funding by the Government. The funding will be used to enable work to progress to help build almost 200 homes on key brownfield sites across the Dorset Council area.

B	Monitor and bid for infrastructure as and when opportunities arise	The Council has previously been successful in receiving funding from the Government's Housing Infrastructure Fund (HIF). The Council has also secured £2.13m of funding through the Brownfield Land Release Fund. This funding will be used to enable work to progress to help build almost 200 homes on brownfield sites across the Dorset Council area. More recently, £19.5m of Levelling Up Funding was secured to support waterside regeneration in Weymouth. In addition, the Council has recently received £4.63m from the Local nutrient Mitigation Fund to deliver nutrient mitigation within the Poole Harbour catchment.
C	Continue to work with and support Government's changes to LURA to find a solution to nutrient neutrality	The Levelling Up and Regeneration Act (LURA) received Royal Assent in October 2023, however there is still some uncertainty within the Poole Harbour catchment about the need for phosphorous neutrality and there are no strategic mechanisms in place to deliver phosphorous migration in the short term. At the time of writing, the Council are still waiting on further detail or guidance to be issued by the Government on this matter. Dorset Council has an existing mechanism in place for delivery nitrogen mitigation within the Poole Harbour Catchment. Within the remaining catchments that affect the Plan area, there remains a need to demonstrate phosphorous neutrality and Dorset Council is working with partners to identify and deliver opportunities for delivering mitigation.

5. **Other measures:** Making a meaningful impact on housing delivery – providing much needed homes locally – is a long term undertaking which will gather pace as the programme progresses. Some of the actions include:

No.	Type of Measures	Description
A	Planning Policy	<ul style="list-style-type: none"> <li>To continue working with the Government and Natural England to find solutions to deliver residential housing on sites that are located in catchments affected by the nutrient neutrality requirement.</li> <li>To continue progressing with the Dorset Council Local Plan so that more sites can be allocated for residential development to contribute towards meeting housing delivery targets and to supersede the technically out-of-date Local Plans.</li> <li>To continue working with key stakeholders when developing the policies and evidence for the Local Plan, particularly when planning for new infrastructure to support new growth.</li> </ul>

		<ul style="list-style-type: none"> <li>• To continue progressing with the emerging Purbeck Local Plan to adoption.</li> <li>• Working more closely with major developers to persuade them to follow schemes in Dorset, demonstrating that there is a significant demand for homes.</li> <li>• Helping stalled scheme progress including through applications for government funding.</li> <li>• Promoting and supporting those who wish to build their own home.</li> <li>• Talking to homeowners and agents about potential sites.</li> </ul>
B	Development Management	<ul style="list-style-type: none"> <li>• To continue to encourage all applicants to undertake pre-app discussions with the local authority before full planning permission is submitted, as this helps to reduce potential issues with proposals.</li> <li>• To continue to aim to meet statutory deadlines with all submitted planning applications.</li> </ul>
C	Infrastructure Team	<ul style="list-style-type: none"> <li>• Helping stalled scheme progress - including through applications for government funding when issue(s) of delivering infrastructure on specific sites arise.</li> </ul>
D	Housing Enabling	<ul style="list-style-type: none"> <li>• Considering joint ventures with developers or partners.</li> <li>• Considering the use of Council assets or purchase land for development.</li> <li>• Working with housing associations and providers on new schemes.</li> <li>• Supporting Community Land Trusts.</li> </ul>
E	Building Control	<ul style="list-style-type: none"> <li>• Officers are working towards gaining the recently introduced accreditation to ensure development is not slowed by an inability to sign-off on the various stages of building regulations.</li> </ul>

## 4. Monitoring and performance

- 4.1.1. The success of this Action Plan will ultimately be assessed in terms of impacts that occur in respect of housing delivery.
- 4.1.2. Throughout the year the 'Key Actions & Responses' will be considered by the Council's Portfolio Holder for Planning and senior officers within the Council including the Head of Planning. The Portfolio Holder for Planning and senior officers will consider actions to address underperformance.
- 4.1.3. A full review of the Action Plan will occur annually to consider additional actions or necessary amendments.