



Dorset Council

Annual position statement – 5 year housing land supply

Draft version – June 2024

www.dorsetcouncil.gov.uk

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The following appendices are published separately to this report:

- Appendices A to G: Sites within the five year supply
- Appendix H: Correspondence with developers
- Appendix I: Housing Delivery Test calculations

2. Acronyms

APS:	Annual Position Statement
CIL:	Community Infrastructure Levy
DLUHC:	Department for Levelling Up, and Housing and Communities
DPD:	Development Plan Documents
ED:	East Dorset
HDT:	Housing Delivery Test
LHN:	Local Housing Needs
LPA:	Local Planning Authority
LNMF:	Local Nutrient Mitigation Fund
LURA:	Levelling Up and Regeneration Act
ND:	North Dorset
NPPF:	National Planning Policy Framework
PINS:	Planning Inspectorate
PPG:	Planning Policy Guidance
SHLAA:	Strategic Housing Land Availability Assessment
WDWP:	West Dorset, Weymouth and Portland

3. Summary

- 3.1. This Annual Position Statement (APS) sets out the housing land supply position for Dorset Council for the base date 1 April 2024. Dorset Council covers the former districts/boroughs of East Dorset, North Dorset, Purbeck, West Dorset and Weymouth and Portland. On the 1 April 2024, the adopted Local Plans covering these former local authority areas are now more than 5 years old.
- 3.2. As set out in the National Planning Policy Framework (NPPF) and Planning Practice Guidance (PPG), when an adopted Local Plan is more than 5 years old, the housing requirement is the local housing need figure calculated using the standard methodology set out in PPG. The latest local housing need figure for the Dorset Council area is calculated to be 1,793 dwellings per annum.¹
- 3.3. The Dorset Council area can demonstrate a deliverable housing supply of 9,573 dwellings between 2024-2029. Dorset Council is therefore able to demonstrate a deliverable housing land supply of 5.34 years.
- 3.4. This deliverable housing supply takes into account the advice from Natural England issued in March 2022 along with all subsequent announcements highlighting the need for nutrient neutrality for all new developments within the Chesil and the Fleet, Avon, the Poole Harbour, Somerset Levels and Moors, and Axe catchments.

4. Introduction

- 4.1. In December 2023, the Government issued an updated NPPF. The NPPF requires local planning authorities (LPAs) to identify and update annually their supply of deliverable housing sites. In order to do this, LPAs can prepare an annual position statement (APS), which is produced through engagement with developers and other stakeholders and is considered by the Planning Inspectorate (on behalf of the Secretary of State).
- 4.2. The APS will be submitted to the Planning Inspectorate (PINS). PINS will then review the APS and assess:

¹ Calculated using the 2014-based household projections for the period 2024-2034, and an affordability ratio of 11.03.

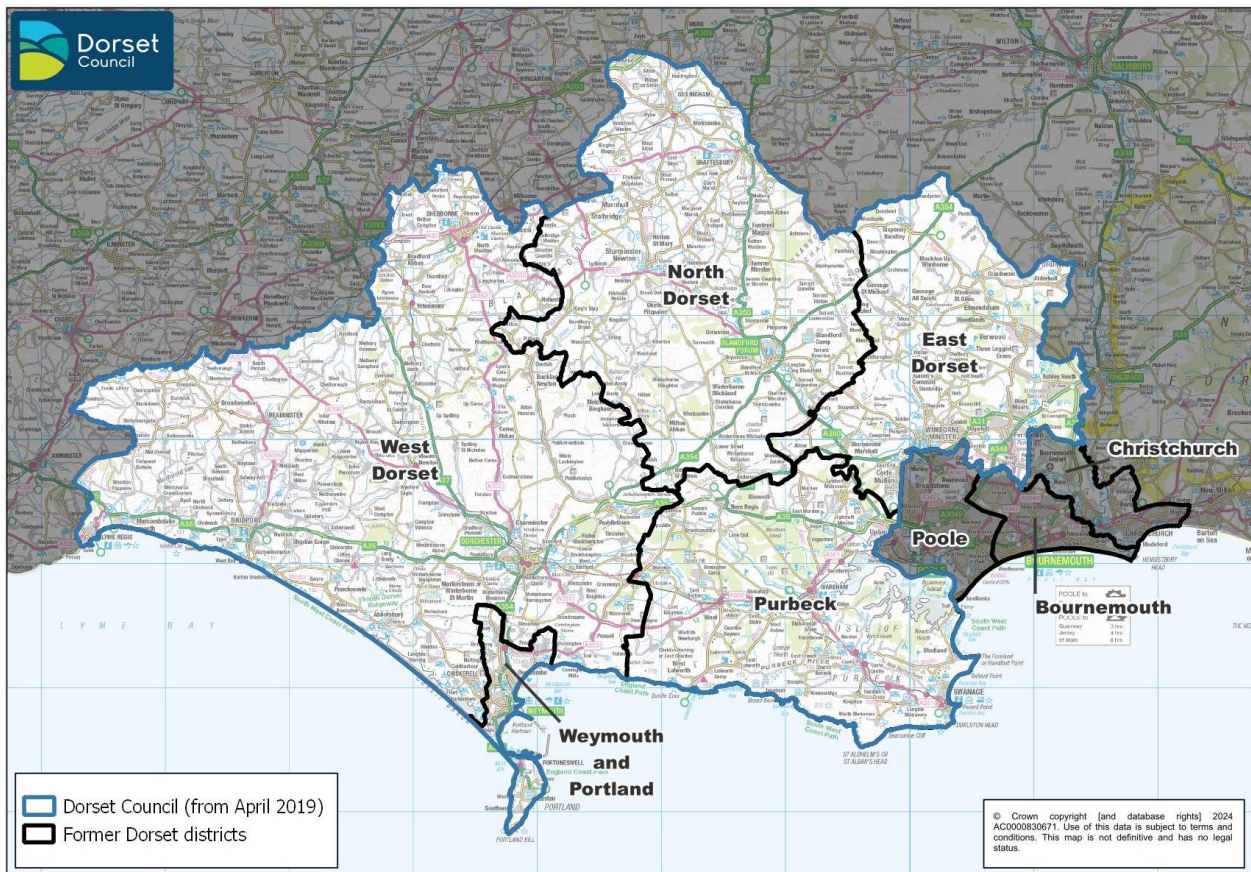
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- if the correct procedure has been followed in line with the planning practice guidance on housing supply and delivery, and
 - whether both sufficient information has been provided and engagement has taken place to justify a site’s inclusion in the five-year housing land supply schedule.
- 4.3. PINS then issues a recommendation in October of the year the APS is submitted. The LPA can then confirm their housing land supply position until 31 October of the following year, subject to accepting the recommendations of the Planning Inspectorate.
- 4.4. If we are unable to demonstrate a 5-year supply of deliverable sites, relevant policies for the supply of housing are considered ‘out-of-date’ and the presumption in favour of sustainable development, as set out in paragraph 11 of the NPPF, applies when making planning decisions.
- 4.5. This is the draft version of the Annual Position Statement that Dorset Council has prepared for 1 April 2024. Targeted stakeholder engagement is taking place from 6 June – 4 July 2024. Comments on this draft Annual Position Statement should be made online at www.dorsetcouncil.gov.uk/annual-position-statement or via email to: planningpolicy@dorsetcouncil.gov.uk
- 4.6. Comments will be considered and will be submitted alongside the final Annual Position Statement to PINS on 31 July 2024.

5. Dorset’s history

- 5.1. Whilst work is being progressed on a new Local Plan for Dorset, the adopted local plans will continue to apply in the areas they cover. They will continue to be used for decision making purposes until they are replaced.

Map 1.1 The Dorset Council area and the former district/borough council areas



Adopted Local Plans:

5.2. The adopted local plans (development plan documents) are:

- Christchurch and East Dorset Local Plan Part 1: Core Strategy (2014) plus saved policies from the East Dorset Local Plan (2002),
- North Dorset Local Plan Part 1 (2016) plus saved policies from the North Dorset Local Plan (2003),
- Purbeck Local Plan Part (2012),
- Swanage Local Plan (2017),
- West Dorset, Weymouth and Portland Local Plan (2015),
- Bournemouth, Dorset and Poole Minerals Strategy (2014),
- Bournemouth, Christchurch, Poole and Dorset Minerals Sites Plan (2019), and
- Bournemouth, Christchurch, Poole and Dorset Waste Plan (2019).

- 5.3. The existing Local Plans can be viewed here: <https://www.dorsetcouncil.gov.uk/adopted-local-plans>.

Emerging Local Plans:

- 1.1. The Purbeck Local Plan has undergone public examination and Dorset Council received the Inspector's report into its examination on 7th May 2024. This report concluded that the Purbeck Local Plan is 'sound' subject to the modifications. The Plan is scheduled for adoption on 18 July 2024 and can be given significant weight in decision making up to this date. After adoption, the Purbeck Local Plan will be part of the development plan for the Purbeck area and will replace the 2012 Purbeck Local Plan.
- 5.4. Dorset Council is progressing with the development of a Dorset Council Local Plan, which, once adopted, will replace all the adopted local plans in the Dorset Council area. Information on the progress of the Dorset Council Local Plan can be found in the [Local Development Scheme \(March 2024\)](#).

Reason for change to a single Dorset Housing Land Supply Position Statement

- 5.5. The Council previously published housing land supply position statements for the legacy authorities because the adopted local plan housing targets were all less than five years old when Dorset Council was formed. There are provisions within the PPG for legacy authority areas to be used until the policies in the plans are superseded/ were five years old. These local plans are now more than 5 years old.
- 5.6. It is considered that for this 2023/24 monitoring year, it is appropriate to move to a single Dorset Council housing land supply calculation. This will assist with production of the Dorset Council Local Plan and provide a more consistent approach across the area. It also helps with the process of confirming the Dorset Council housing land supply position through the production of a single annual position statement.

6. Housing sites constraints: sites affected by nutrient neutrality

Advice from Natural England

- 6.1. Following the advice issued by Natural England on 16 March 2022, developments which lead to an increase in nutrient loading within the catchment of one of the freshwater or estuarine protected habitats that are identified as in unfavourable condition should be nutrient neutral. This is so that there is no net increase in nutrients entering the

protected habitat sites arising from development via both wastewater and surface water flows.

6.2. Within Dorset, there are five catchments that are affected by the nutrient neutrality requirement. These are:

- Poole Harbour: sensitive to both phosphorus and nitrogen
- Chesil & The Fleet: sensitive to both phosphorus and nitrogen
- River Axe: sensitive to phosphorus
- River Avon: sensitive to phosphorus
- Somerset Levels & Moors: sensitive to phosphorus

6.3. Since this advice was issued, the Government has put in measures to help to unblock housing sites, which include:

- Wastewater treatment works serving 2,000+ people are required to be upgraded to reduce the nutrient flow from wastewater (required by the Levelling Up and Regeneration Act 2023 – LURA). The LURA also included provisions for the Secretary of State to nominate additional wastewater treatment works for upgrade.
- A nutrient mitigation scheme managed by Natural England to deliver nutrient mitigation within the affected catchments.
- A Local Nutrient Mitigation Fund (LNMF) to enable local planning authorities to develop local mitigation strategies to deliver mitigation for development. Dorset Council has been awarded funds from the LNMF to deliver nutrient mitigation within the Poole Harbour catchment. Similar awards have been made to Wiltshire Council for the River Avon catchment and Somerset Council for the Somerset Levels and Moors catchment.

Working towards a solution

6.4. Dorset Council is taking a different approach in each of the five catchments that affect Dorset (River Axe, River Avon, Chesil & The Fleet, Somerset Levels and Moors and Poole Harbour). This is due to the nature of the catchments and the different working arrangements with neighbouring local authorities that share the catchment areas.

6.5. Within the Poole Harbour catchment, the list of wastewater treatment works that are required to be upgraded through the provisions within LURA includes additional upgrades for phosphorus at seven smaller wastewater treatment works by 1 April 2035. This is in addition to the required upgrades for phosphorus and nitrogen at all works serving a population equivalent above 2,000 in the catchment by 1 April 2030.

- 6.6. On 24 May 2024, a letter was received from Natural England confirming their revised position for the catchment. The letter stated that “Natural England’s assessment is that this (expanded list of wastewater treatment works upgrades) will deliver the reduction in phosphorus levels required to achieve the conservation objectives of the site, with headroom for new development. It is therefore Natural England’s view that the upgrades provide a legally binding solution to restore sustainable phosphorus levels in the Poole Harbour Special Protection Area/Ramsar site.”
- 6.7. This means that there is only a need for applications for developments within the Poole Harbour catchment to demonstrate nutrient neutrality for nitrogen. The existing Nitrogen Reduction in Poole Harbour Supplementary Planning Document addresses the delivery of nitrogen mitigation with funding being taken primarily from CIL except in the former North Dorset District area where s106 agreements are used to secure mitigation. The delivery of mitigation will continue through the use of the LNMF awarded to Dorset Council. In addition, Natural England’s Nutrient Mitigation Scheme has secured a significant nutrient mitigation project equivalent to the nutrient loading from around 3,700 new homes.
- 6.8. In the River Avon catchment, there are some mitigation projects being delivered that are providing phosphorus mitigation. With the award to Wiltshire Council through the LNMF, mitigation projects will be identified and implemented to provide sufficient mitigation for future development. Dorset Council has agreements in place to enable sufficient mitigation to be provided for developments within the Dorset Council area.
- 6.9. Similar to the approach in place in the River Avon catchment, in the Somerset Levels & Moors catchment, there are mitigation projects being delivered that are providing phosphorus mitigation for developments within the Dorset Council part of the catchment. Somerset Council are looking to continue to deliver phosphorus mitigation through the use of the LNMF award and Dorset Council has agreements in place to enable sufficient mitigation to be provided for developments within the Dorset Council area.
- 6.10. Within the River Axe catchment, a bid to the Local Nutrient Mitigation Fund has been put together by East Devon District Council with the support of Dorset Council and Somerset Council. This will enable mitigation projects to be delivered within the River Axe catchment with the aim of enabling development to take place.
- 6.11. The Chesil & The Fleet catchment is however not eligible to bid to the LNMF due to the low levels of development that are expected within the catchment both now and in the future. Dorset Council will be working with partners to identify and deliver opportunities for delivering this mitigation in this and other catchments.

7. Housing land supply calculations

- 7.1. National policy requires local planning authorities to identify and update annually a supply of specific deliverable sites sufficient to provide a minimum of 5 years' worth of housing against their housing requirement set out in adopted strategic policies, or against their Local Housing Need (LHN) where the strategic policies are more than 5 years old.
- 7.2. Given that the Local Plans that cover the former local authority areas which make up Dorset Council are now more than 5 years old, the LHN calculated using the Standard Method² has been used as the basis for establishing the housing target in this report.

Standard Methodology

- 7.3. The standard methodology for calculating the LHN for an area starts with the projected growth in households within that area adjusted to take into account local housing affordability, as follows:
 - **Step 1** sets the baseline using the 2014-based household projections,
 - **Step 2** adjusts this baseline through the application of affordability ratio, and
 - **Step 3** allows for the resultant housing target to be capped.
 - An additional **Step 4** applies an uplift to the top 20 cities and urban areas across the country.

The data used to calculate the LHN has a base date of 1 April 2024 and therefore the household projections and the affordability ratios are those available at this base date.

Step 1 – Setting the baseline

- 7.4. The 2014-based household projections are used to calculate the average household growth over the 10-year period from the base date for when the calculation is being undertaken. The base date for this report is 1 April 2024 and therefore the calculation of local housing need uses the 10-year period from 2024 to 2034. Over this period, the projected growth in households for the Dorset Council area is as shown in Figure 7.1.

Figure 7.1: 2014-based household projections for Dorset for 2024 and 2034

² As set out in National Planning Practice Guidance [Housing and economic needs assessment - GOV.UK](https://www.gov.uk/guidance/housing-and-economic-needs-assessment) (www.gov.uk)

	2024	2034	Difference
East Dorset	40,928	44,178	+3,250
North Dorset	32,541	35,089	+2,548
Purbeck	21,072	22,357	+1,285
West Dorset	49,137	52,972	+3,835
Weymouth & Portland	30,422	32,311	+1,889
Dorset Total	176,124	188,941	+12,807

7.5. Figure 7.1 shows that in the 10-year period 2024 to 2034, the overall number of households in Dorset is set to grow by 12,807. This is equivalent to average annual increase of 1,280.7 households per annum.

Step 2 – Applying the affordability adjustment

7.6. The local affordability ratio is a measure of the affordability of homes in an area. It is calculated as the ratio between median house prices and median workplace-based earnings. The affordability of homes reflects the supply of homes in an area versus demand, and therefore reflects past rates of delivery. If delivery has been below demand, the relative market price will reflect this and the affordability ratio will be higher.

Figure 7.2: Median house price, median workplace-based earnings, and ratio between the two for Dorset (data downloaded from ONS 17/5/2024)

Median house price (Sept 2023)	Median workplace-based earnings (2023)	Affordability ratio
£353,000	£32,001	11.03

7.7. The baseline annual projected household growth figure is adjusted to reflect the affordability of housing in the area. This adjustment is based on the most recent median workplace-based local affordability ratios. For Dorset Council, the affordability ratio released in 2024 is 11.03 and this figure has been used to calculate the affordability adjustment factor.

7.8. The adjustment factor is calculated on the following basis:

$$\text{Adjustment factor} = \left(\frac{\text{Local affordability ratio} - 4}{4} \right) \times 0.25 + 1$$

7.9. For the Dorset Council area, the median workplace-based local affordability ratio gives an adjustment factor of 1.44. When applied to the figure from Step 1 it makes an uncapped housing need figure of 1,844 dwellings per annum.

- $1,280.7 \times 1.44 = 1,844$

Step 3 – Capping the increase

7.10. Where the strategic policies in a Local Plan were adopted more than 5 years ago (at the point of making the calculation), the housing figure is capped at 40% above the lowest of either the average projected household growth over a 10-year period or the most recently adopted housing target in a Local Plan. The reason for the cap is to ensure that the LHN figure is as deliverable as possible and not significantly above the housing target currently being planned for.

7.11. As Dorset does not have an adopted strategic housing requirement, the cap would be calculated by adding 40% to the projected household growth figure established through Step 1.

- $1,280.7 \times 1.4 = 1,793$

7.12. As the figure from Step 2 is higher than the cap, this suggests that the local housing need figure should be capped to 1,793 dwellings per annum.

Step 4 – Cities and urban centres uplift

7.13. The final adjustment made as part of the standard methodology is to apply an uplift of 35% to those local authority areas that fall within the top 20 cities and urban areas list published by the Office for National Statistics. Dorset Council does not fall within this list and therefore the uplift is not applied.

Local Housing Need

7.14. The four steps used in the calculation of the LHN figure for the Dorset Council area are outlined above. These calculations indicate that the LHN requirement for the purpose of this report is 1,793 dwellings per annum.

Housing Delivery Test

- 7.15. The Housing Delivery Test (HDT) assesses the delivery of homes over the previous three financial years against the housing requirement for the area. The government publishes a rulebook on how to calculate the HDT.³
- 7.16. The net number of new homes delivered in the Dorset Council area has been gathered through annual site visits where the number of newly built homes is counted. This information is submitted annually to Department for Levelling Up, Housing and Communities (DLUHC) who publish the data as live tables on Housing Supply.⁴
- 7.17. In addition to the delivery of new homes, an allowance is made within the HDT for increases in communal accommodation based on the number of bed spaces delivered. In line with the Housing Delivery Test Measurement Rule Book 'student only accommodation' is counted at 2.5 persons per household whilst a ratio of 1.8 is applied to 'other communal accommodation'. This is based on the national average datasets for these types of communal accommodation.
- 7.18. Where delivery as measured by the HDT falls below the planned rate, paragraph 79 of NPPF states that the following penalties apply:
- Where delivery is below 95% of the planned rate, an action plan should be published setting out the actions being taken to increase delivery.

³ <https://www.gov.uk/government/publications/housing-delivery-test-measurement-rule-book>

⁴ <https://www.gov.uk/government/statistical-data-sets/live-tables-on-net-supply-of-housing>

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- Where delivery falls below 85% of the planned rate, a 20% buffer should be added to the housing land supply to ensure a realistic prospect of delivery against the housing requirement and an action plan should be published.
- Where delivery falls below 75% of the planned rate, the presumption in favour of sustainable development will apply, a 20% buffer should be applied, and an action plan should be published.

7.19. In December 2023, the Government published HDT results for 2022, which are measured over the years 2019/20, 2020/21 and 2021/22. The results for the Dorset Council area are in the table below.

Figure 7.3: HDT results for the Dorset Council area (source: DLUHC)

Area	Total number of homes required (2019-2022)	Total number of homes delivered (2019-2022)	Housing Delivery Test: 2022 measurement
Christchurch and East Dorset	2065	1851	90%
West Dorset and Weymouth & Portland	2021	2293	113%
North Dorset	797	595	75%
Purbeck	464	430	93%
Total (Dorset Council area + Christchurch)	5347	5169	97%

7.20. The final row is in **bold font** as it is not published by the government but is derived from the figures they have provided. While it is an attempt to calculate an overall figure for the Dorset Council area, it should be noted that it includes the former district of Christchurch, which does not form part of the Dorset Council area. The HDT results for East Dorset and Christchurch have been combined because the Christchurch and East Dorset Local Plan Part 1: Core Strategy (2014) provided a single housing requirement figure for the two districts, which cannot be disaggregated.

7.21. While the combined HDT result of 97% suggests good performance, and places Dorset Council above the various penalties outlined above, it would be informative to consider what the result would be without Christchurch. Dorset Council estimates that the HDT

results for the Dorset Council area (excluding Christchurch) would be 102% and 106% for the years 2022 and 2023 respectively. Details of these calculations are set out in Appendix I. This confirms that the recent performance of housing delivery across the Dorset Council area has been healthy, and above the thresholds for penalties set out in NPPF.

New homes required

7.22. The calculation of the five-year requirement for the period 2024 to 2029 is shown in Figure 7.4

Figure 7.4: Five-year requirement 2024-2029

Component	Total
Local Housing Need Requirement	1,793
Multiplied by the 5-year period (2024-2029)	8,965
Total 5-year requirement	8,965

8. Five- year housing land supply

8.1. The NPPF glossary provides a definition of a 'deliverable' site for the purpose of demonstrating a 5-year supply:

Deliverable: To be considered deliverable, sites for housing should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years. In particular:

a) sites which do not involve major development and have planning permission, and all sites with detailed planning permission, should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years (for example because they are no longer viable, there is no longer a demand for the type of units or sites have long term phasing plans).

b) where a site has outline planning permission for major development, has been allocated in a development plan, has a grant of permission in principle, or is identified on a brownfield register, it should only be considered deliverable where there is clear evidence that housing completions will begin on site within five years.

8.2. As well as sites which are considered to be deliverable in principle, the PPG⁵ further adds to this definition and explains which sites would require further evidence to be considered deliverable, namely those which:

- Have outline planning permission for major development,
- Are allocated in a development plan,
- Have a grant of permission in principle, or
- Are identified on a brownfield registered.

8.3. Such evidence to demonstrate deliverability may include:

- Current planning status: for example, on larger scale sites with outline or hybrid permission how much progress has been made towards approving reserved matters, or whether these link to a planning permission agreement that sets out the timescales for approval of reserved matters applications and discharge of conditions,
- Firm progress being made towards the submission of an application – for example, a written agreement between the LPA and the site developer(s) which confirms the developers' delivery intentions and anticipated start and build-out rates, or
- Clear relevant information about site viability, ownership constraints or infrastructure provision, such as a successful participation in bids for large-scale infrastructure funding or other similar projects.

Types of sites within Dorset's 5 year housing land supply:

8.4. Potential sources of housing supply considered to be deliverable within five years include:

- Minor sites (1 to 9 dwellings) that benefit from planning permission;
- Major sites (10 + dwellings) that benefit from full planning permission (including reserved matters);
- Major sites (10 + dwellings) that benefit from outline planning permission;
- Sites allocated by an adopted local plan;
- Sites allocated by a made neighbourhood plan;

⁵ Paragraph: 007 Reference ID: 68-007-20190722

- Specific large sites (10 + dwellings) identified as having development potential (e.g. through the SHLAA or the brownfield register);
 - Minor sites windfall allowance; and
 - Rural exception sites.
- 8.5. For each of these site categories, different criteria have been used to estimate delivery within 5 years and therefore the contribution towards the 5-year supply.
- 8.6. Several appeals have examined the evidence needed to support the deliverability of a site. The appeal decision for Land South of Westleaze, Charminster (Appeal Reference: APP/D1265/W/18/3206269) clarified the evidence needed to demonstrate deliverability of a site and the conclusions from this decision have been incorporated into the evaluation of the supply. In addition, the called in appeal at Land to the East of Newport Road and to the East and West of Cranfield Road (Appeal Reference: APP/Y0435/W/17/3169314) has supported the view that evidence obtained after the 5YHLS base date (1 April each year) can be considered when demonstrating site deliverability if the site was considered deliverable at the base date.
- 8.7. The Council has contacted landowners and developers of larger sites for detailed information such as their expected trajectories for housing delivery and information in relation to progress being made towards delivery. Where information has been received from developers, this has been used to inform the inclusion of sites within the 5 Year Housing Land Supply, and this evidence can be found in Appendix H of this report. If no such information has been received from a developer, assumptions have been used for expected delivery, based on appropriate average delivery rates in the area as well as local and site-specific circumstances.

Major sites with planning permission

- 8.8. For sites of 10 dwellings or more that benefit from an extant detailed planning permission (either full or reserved matters) a case-by-case assessment has been made to assess how many new homes will be delivered within five years. This case-by-case analysis has included consideration of the number and type of units being delivered on a site, the details of any infrastructure requirements, the discharge of conditions associated with the planning permission, whether a CIL commencement notice had been received, feedback from the developer as to their programme for developing the site, information from case officers working on specific applications and any other relevant information.

8.9. Major sites which benefit from outline permission were considered in a similar way to detailed consents having regard to recent appeal decisions. Progress towards gaining full consent, along with information from the developer about their programme for delivering the site including their anticipated housing trajectory. Information from the case officer working on the application along with the current planning status of the site was also considered including the discharge of any planning conditions. As sites with outline planning permission would fall within limb B of the definition of deliverability, these have been separated out from sites with detailed consent (which fall within limb A) in Figure 8.1 below.

8.10. The approach to major sites that have either detailed or outline planning permission accords with the relevant parts of the definition of deliverable in the NPPF.

Figure 8.1: Major sites with planning permission

	Source Supply	Amount within 5YHLS
Major sites with planning permission (Limb A)	6,263	5,009
Major sites with planning permission (Limb B)	2,630	851
Major sites with planning permission (total)	8,893	5,860

Sites allocated within the Local Plan

8.11. For the sites allocated in an adopted local plan and the emerging Purbeck Local Plan 2018 (that will be adopted July 2024), a similar set of evidence was considered to that for major sites with planning permission, including information from the site developers and progress being made towards delivery. These considerations again gave rise to an assessed level of delivery for inclusion within the five-year supply.

8.12. No allowance has been made for new allocations being considered through the emerging Dorset Council Local Plan. The approach for sites allocated in the adopted development plan is considered to accord with the definition of deliverable in the NPPF.

Figure 8.2: Sites allocated within the Local Plan

	Source Supply	Amount within 5YHLS
Sites allocated within the Local Plan	3,847	964

Sites allocated in Neighbourhood Plans:

- 8.13. Across the Dorset Council area there are 33 neighbourhood plans that have been made part of the development plan.
- 8.14. The made plans currently allocate land for around 1,419 new homes. These includes sites where pre-application advice has been sought. It should be noted that once a neighbourhood plan site has been granted planning consent, it is counted within the appropriate planning consent category rather than a neighbourhood plan site allocation.
- 8.15. The approach to Neighbourhood Plan allocations accords with the NPPF definition of deliverable.

Figure 8.3: Sites allocated in Neighbourhood Plans

	Source Supply	Amount within 5YHLS
Site allocated in Neighbourhood Plans	1,419	263

Specific Large Sites

- 8.16. The minor sites windfall allowance does not make any allowance for sites not identified in the development plan that fall within the definition of major development (i.e. sites of 10 or more dwellings).
- 8.17. As set out under minor sites windfall, when including an allowance for windfall sites within the housing supply, national policy indicates that there needs to be “compelling evidence that they will provide a reliable source of supply...” and that the allowance “...should be realistic having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends”.
- 8.18. Where specific major sites (10+ dwellings) have been identified that are expected to contribute to the housing land supply within 5 years, an allowance has been included. These sites have either been identified through the strategic housing land availability assessment, are on the Council’s brownfield register, have permission in principle or are

sites where planning permission is likely to be granted imminently (i.e. sites with resolution to grant permission subject to a section 106 agreement). For each of these sites, there is clear evidence that development will begin, and homes will be delivered within the five-year period. Each site within this category was identified as having development potential at the 1 April base date in line with the monitoring data that underpins this report.

8.19. The approach to major identified (windfall) sites is in accordance with the definition of deliverable in the NPPF.

Figure 8.4: Specific Large Sites

	Source Supply	Amount within 5YHLS
Specific Large Sites	2,841	426

Minor sites with planning permission

8.20. The NPPF definition of deliverable states that: “sites which do not involve major development and have planning permission ... should be considered deliverable until permission expires, unless there is clear evidence that homes will not be delivered within five years”.

8.21. Within Dorset, a large proportion (around 25%) of the housing completions over the past 5 years have been made up of small sites of less than 10 dwellings, equating to an average of 399 dwellings per year. Historically, from the point of the grant of planning permission, just under 96% of these minor sites have been built within five years.

8.22. The approach adopted for minor sites with planning permission is considered robust and in accordance with the relevant parts of the definition of deliverable.

Figure 8.5: Minor sites with planning permission

	Source Supply	Amount within 5YHLS
Minor sites with planning permission	1,326.7	1,295

Minor sites windfall allowance

8.23. A windfall site is a site not specifically identified in the development plan. National policy makes provision for such sites to be included in the supply of homes specifically noting

that “small and medium sized sites can make an important contribution to meeting the housing requirement of an area and are often built out relatively quickly”.

- 8.24. When including an allowance for windfall sites within the housing supply, national policy indicates that there needs to be “compelling evidence that they will provide a reliable source of supply...” and that the allowance “...should be realistic having regard to the strategic housing land availability assessment, historic windfall delivery rates and expected future trends.”
- 8.25. A detailed analysis of windfall rates has been undertaken for the Dorset Council area (as summarised in Appendix F. This analysis has been focused on those sites that fall within the minor category (i.e. sites of between 1 and 9 dwellings) with major (i.e. sites of 10 or more dwellings) being considered as a separate supply category.
- 8.26. The Council has been conservative in removing the windfall allowance for the first two years in all areas, to avoid any potential double counting for sites that may have permission. The final windfall allowance for each settlement is shown in Figure 8.6.
- 8.27. The approach to minor windfall sites is considered to be in accordance with national policy.

Figure 8.6: Minor sites windfall allowance for each former local authority area

Area	Amount within 5YHLS
West Dorset, Portland and Weymouth	389.3
East Dorset	131.1
Purbeck	242.0
North Dorset	-53.4
Total	709.0

Rural Exceptions Sites

- 8.28. The Inspector for the adopted West Dorset and Weymouth & Portland Local Plan recommended that rural exception sites that benefit from grant funding and a housing needs survey can be included within the five-year supply. This is the approach we have taken. Using the advice from the Council’s housing enabling experts we have also included sites that have registered providers on board.

8.29. At present, there are a number of rural exception schemes proposed with a number of these have funding and a registered provider involved. They are also relatively small in scale. This means there are no barriers to their delivery.

Figure 8.7: Rural Exception Sites

	Source Supply	Amount within 5YHLS
Rural Exception Sites	132	56

Supply Position at 1 April 2024

8.30. The sources of supply set out in this report have been rigorously assessed against national policy including the definition of deliverable as set out in the NPPF.

Figure 8.8: Five Year Supply Calculations

Supply Requirement	Total
Local Housing Needs Requirement	1,793
Requirement over 5 years	$1,793 \times 5 = 8,965$
Deliverable supply	9,573
Major sites with planning permission	5,860
Sites allocated in the local plans	964
Sites allocated in neighbourhood plans	263
Specified large sites	426
Minor sites with planning permission	1,295
Minor sites windfall allowance	709
Rural Exceptions Sites	56
Calculation of 5 year supply	
Deliverable site ÷ annualised requirement	$9,575 \div 1793 = 5.34 \text{ years}$

9. Conclusion: Five-year housing requirement against supply

- 9.1. The requirement to maintain a supply of deliverable sites to cover the 5-year period is derived from national policy. As the adopted Local Plans covering the Dorset Council area were adopted more than 5 years ago, the five-year supply calculation is based on the local housing need requirement derived through the application of the Standard Methodology. For the Dorset Council area, this gives a housing target of 8,965 dwellings for the period 2024 to 2029. In line with national guidance, no allowance has been made for any shortfall in provision against the Local Plan target due to the LHN being used. The target is equivalent to 1,793 dwellings per annum.
- 9.2. The supply of deliverable sites that can be counted as being part of the 5-year supply for the 2024- 2029 period is set out in Figure 8.8. This supply calculation is based on sites and information available on the 1 April 2024 base date. For the period 2024 to 2029, Dorset Council can demonstrate a supply of 9,573 new homes on deliverable sites, equivalent to 5.34 years.
- 9.3 The Council has not applied deductions to the 5YHLS to account for unforeseen circumstances, as there is no requirement or guidance on whether local authorities should apply deductions, or any amount that should be applied. As part of this engagement, we welcome developers' or agents' thoughts on if we should include discounts in our calculations for deliverable sites, supported with evidence from recent appeals, and would welcome reference to any decisions that support a specific percentage of discount.