

Home Builders Federation

Matter 2

DARTFORD LOCAL PLAN EXAMINATION

Matter 2 – Meeting Dartford’s Housing Needs

Issue 1

Whether the Local Plan has been positively prepared and whether it is justified, effective and consistent with national policy in relation to meeting housing needs.

Relevant policy – S4

1. Has the calculation of Local Housing Need been carried out correctly?

In its response to the inspector's initial questions (EXAM5) the Council note that the assessment of local housing need at the point of submission using the standard method is 750 dwellings per annum (dpa). However, paragraph 61 of the NPPF states that this is a minimum with PPG outlining that there may be circumstances which suggest more homes should be planned for than this minimum.

2. Is the base date of 2017/18 justified and appropriate having regard to the use of the 2020/21 affordability ratio? Alternatively, should the base date be 2020/21?

No. As set out in our representations the starting point of the plan should be from the year from which the affordability ratio is undertaken. This approach is consistent with the Government's inclusion of the affordability uplift in the standard method which was to recognise past under or over delivery within planned supply. The local housing needs as such is a forward-looking assessment of need and logic would dictate that the plan period looks forward from the point of assessment.

3. Is the proposed housing requirement appropriate and is it justified? How has the proposed additional 40 dwellings per annum above the standard method been calculated?

There appears to be confusion as to the justification for the 790-home requirement. In the initial local plan published for its regulation 19 consultation the Council state that the 790 dpa requirement is well related to the known capacity of Dartford's suitable sites but does not go as far as to say that it is based on that capacity. It was also

outlined in paragraph 2.52 that the requirement of 790 dpa, then 14 homes per annum more than the local housing needs assessment, would increase the delivery of affordable housing to better meet its needs and to support economic development in the Borough. Both these are sound reasons for going above the minimum requirement established using the standard method. Increasing the requirement in relation to affordable housing needs is consistent with paragraph 62 of the NPPF and paragraph 2a-024 of PPG and setting housing need in order to support economic development would fall within the parameters set out in paragraph 2a-010 of PPG.

In the submitted local plan the Council state at paragraph 2.58 that the requirement equates to the average level of capacity but also that it is in harmony with the Council's long-standing development growth objectives. It also maintains in paragraph 2.59 the points raised above with regard to affordable housing needs and economic development. However, in addition the Council also state in paragraph 2.57 that it is "... *consistent with potentially supporting delivery of some unmet needs in the wider area*". As with the other justifications this too is a sound reason for increasing the requirement beyond the minimum and is consistent with both paragraph 61 of the NPPF and paragraph 2a-010 of PPG. The Council have been approached by other authorities constrained by the Green Belt requesting support in line with paragraph 141 of the NPPF and as such it would be justified to adopt a higher housing requirement. What is not clear to us is on which of these reasons the Council has based its housing requirement.

The HBF would therefore agree that the housing requirement for this local plan should be in excess of the minimum number of homes to be planned for using the standard method. However, where we would disagree with the Council is that the proposed 40 additional dwellings per annum is a sufficient response to these challenges. In respect of the unmet needs identified in neighbouring areas there are identified unmet needs in London generally and more specifically in Bexley and more should have been done to consider how Dartford could have addressed these needs in this local plan. In addition, to unmet needs there is also a shortfall, as highlighted in the Council's Housing Needs Assessment, in the delivery of affordable housing of 58 dwellings per annum. Over the plan period this equates to a shortfall of nearly 1,000 affordable homes over a policy compliant plan period. The Council in this instance should have undertaken a Green Belt review and considered whether there were exceptional circumstances to amend Green Belt boundaries. However, the Council considered this to be unnecessary, a stance we consider to be unsound based on the circumstances faced by the Council.

4. What is the extent of any under/ over delivery between the plan start date and the base date of the standard methodology calculation?

Our assessment of under/over delivery based on the level of supply in the submitted plan is an oversupply of 31 homes against the housing requirement at the end of the 2020/21 period, which is consistent with the Council's position in EXAM5.

5. Is policy S4 clear as to the total quantum of housing being planned for over the full plan period?

Whilst the policy sets out the annual requirement no reference is made to the requirement over the whole plan period. Both the annual requirement and total requirement should be set out in policy S4 provide the necessary clarity as to the minimum number of homes the Council are required to plan for.

6. Do the strategic policies look ahead a minimum 15-year period from the anticipated adoption of the plan, as required by paragraph 22 of the Framework?

No. Given that the hearings are due to close on the 30th of November it can reasonably be expected that the adoption will be in the monitoring year 2023/24. As such the Local Plan will look forward for less than 14 years and as such an extra two years should be added to the plan period.

7. How would the plan be able to respond if unmet need from Gravesham is clearly quantified in future?

The Plan would need to be reviewed if it is found that Gravesham cannot meet its housing needs in full. Policy S4 should set out a clear timetable for that review and the submission of a new local plan should that be the case.

Issue 2

Whether the plan will be effective in delivering sufficient affordable housing to meet the needs of the Borough

Relevant policies – M7, M8, M9, M10

Policy M7 - Affordable housing

8. Is the plan sufficiently clear as to the overall level of affordable housing need in the Borough that is required?

No. Neither the supporting text nor the policy state how many affordable homes are needed within Dartford. It is necessary for the Council to be clear as to what its affordable housing needs are as it is a consideration in decision making and it should be clearly stated in the supporting text to policy M7.

9. Is the required level of affordable housing in Central Dartford and elsewhere in the Borough justified? Would it be viable? Would it be sufficiently flexible?

As set out in our representations the HBF is concerned that the viability evidence supporting the local plan indicates that affordable housing delivery at the suggested rates is marginal or will require higher sales values to ensure schemes come forward. The Viability Assessment recognises at paragraph 3.2.19 that development in central

Dartford even at the lower rate of 20% could still prove to be challenging and that site specific negotiation will be required in some cases. Similarly larger flatted schemes across the Borough also face challenging viability scenarios, see tables 2k to 2m of Appendix IIa, with higher values required in order achieve the necessary RLV to make housing development a viable option compared to existing uses. As the report notes this situation is not unique to Dartford. Higher existing use values on previously developed land alongside the higher costs associated with the remediation and development of such sites will inevitably mean viability is more challenging and affordable housing delivering lower. The marginal nature of development viability across Dartford also means that should the costs faced by the developer increase then even those developments considered to be viable at present may well become unviable. It must be recognised that the cost of raw materials and labour have increased significantly in recently and the housebuilding industry like other across the country face a challenging economic climate. Some of these are due to what are hoped to be short term pressures, but others are due to significant changes in the labour market following the Country's exit from the European Union and will not be fully reflected in the BCIS costs.

As we set out in our representations the Council have responded to the viability assessment and introduced a variable rate depending on the location of the development. This approach is appropriate. However, given the marginal nature of development viability in Dartford and the potential for other costs to have a significant impact on viability we would suggest that a greater element of flexibility is provided for within the policy. The only flexibility provided for in policy is in part 2c) which outlines that in exceptional circumstances off site provision or a commuted sum may be considered. No mention is made in the policy about reducing the amount of affordable housing provided or changing the tenure split within a scheme. There will be circumstances where it will be necessary for such approaches to be taken and the Council must set out the full range of options open to decision makers with regard to the amount of affordable housing that is provided. As set out in our representations we consider M7 should be amended as follows:

2. Where residential developments are required to provide affordable housing in accordance with criterion 1, these should:

- a) Provide a mix of affordable housing tenures, with a target for 35% or more of all dwellings to be defined as affordable housing (except in central Dartford where the target is 20%).*
- b) Ensure that design layouts and facilities are not segregated, with no barriers to access or differences in appearance between different tenures; and*
- c) Make provision on-site.*

3. In exceptional circumstances where it can be justified that the costs of developing a site mean it is not viable or practical to provide on-site affordable housing the Council will consider:

- a) off-site provision on an alternative site in the Borough;*
- b) a commuted sum; and/or*

c) *a reduction in the level of affordable housing to be provided.*

This amendment is consistent with paragraph 58 of the NPPF and will provide the necessary flexibility to decision makers and applicants to ensure that development comes forward in Dartford.

10. Are the expectations for the proposed tenure mix justified?

No comment

11. Is the plan sufficiently clear on the expectations for the sizes of the affordable housing units that will be required?

No comment

12. How will any commuted sum payments be calculated and where is this set out in the plan?

For Council.

Issue 3

Whether the plan will deliver an appropriate mix of housing to meet the various housing needs over the plan period and whether the policies for the design, mix and standards of housing justified, effective and consistent with national policy. Housing for different groups

13. Does the plan accord with paragraph 62 of the Framework which states that the size, type and tenure of housing needed for different groups in the community should be assessed and reflected in planning policies (including, but not limited to, those who require affordable housing, families with children, older people, students, people with disabilities, service families, travellers, people who rent their homes and people wishing to commission or build their own homes)?

No comment

Policy M8 - Housing mix

14. Is the proposed housing mix justified and supported by evidence? Would it be viable?

No comment

15. Is the requirement for all homes to meet requirement M4(2): Category 2 – Accessible and Adaptable Dwellings justified?

The Government have now confirmed in their response to the recent consultation on accessible homes¹ that they will make Part M4(2) the mandatory standard. Given this position we would recommend the requirement is deleted to avoid repetition with national policy.

16. What proportion of dwellings would be required to meet M4(3): Category 3 – Wheelchair User Dwellings?

The Council's Housing Needs Assessment provides limited evidence as to the number of homes that need to be built to part M4(3). The evidence states that there is some need on the housing register and homes have been built to such standards in the past, but no consideration appears to have been given to future needs and as such setting a requirement in policy would be unsound. Given that the Council's Viability Assessment indicates that the viability of new development in Dartford is challenging it is important that there is flexibility within policies such as M8 to arrive at a negotiated position on such matters.

17. Is policy M8 sufficiently clear on the expectations for specialist accommodation?

No. At present the policy is not effective as it will not ensure the needs of older people are met. In order to achieve this the Council should set out in policy that there is presumption in favour of such development if needs are not being met. This requires the Council to clearly set out what those needs are and monitor delivery against those assessed needs. Without the amendments the policy is one that is supportive but does not set out the positive actions required of decisions makers should there be shortfalls in the supply of such homes in Dartford.

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¹ Raising accessibility standards for new homes: summary of consultation responses and government response (July 2022) <https://www.gov.uk/government/consultations/raising-accessibility-standards-for-new-homes/outcome/raising-accessibility-standards-for-new-homes-summary-of-consultation-responses-and-government-response>