

Cabinet

15 October 2024

BCP Council unmet housing need response

For Decision

Cabinet Member and Portfolio:

Cllr. S Bartlett, Planning and Emergency Planning

Local Councillor(s):

All

Executive Director:

Jan Britton, Executive Lead for Place

Report Author: Terry Sneller

Job Title: Strategic Planning Manager

Tel: 01305 838224

Email: terry.sneller@dorsetcouncil.gov.uk

Report Status: Public (the exemption paragraph is N/A)

Brief Summary:

BCP Council have submitted their local plan for examination. The submission version of their local plan does not propose to meet in full the housing target derived from the Government's standard methodology. On 11 June 2024, BCP Council formally wrote to Dorset Council officers asking whether Dorset Council could help in meeting this unmet need. This request is included in Appendix 2.

Officers responded to this request on 21 June 2024 highlighting the significance of the shortfall and the potentially far-reaching implications for Dorset Council. The response letter (Appendix 3) went on to highlight that a considered response to the request was needed and that this response would need to be endorsed by Dorset Council's Cabinet.

Officers have been evaluating the approach to housing delivery in the BCP Local Plan and have prepared a response to the unmet need request as detailed in Appendix 1.

Recommendation:

That Cabinet consider the proposed response to the BCP Council letter of 11 June 2024 requesting that Dorset Council consider helping to meet the unmet

housing need arising from the proposals in the BCP Local Plan. That Dorset Council is unlikely to be able to meet any of the BCP Council unmet housing need without further work on urban capacity and Green Belt review being undertaken, particularly in the light of the significant increase in housing targets proposed through the recent government consultation.

Reason for Recommendation:

To respond to the formal request from BCP Council for Dorset Council to consider helping to meet the unmet need as required by the Duty to Cooperate.

1. Report

- 1.1 Each local planning authority in England is required to prepare a local plan that as a minimum, provides for the objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas unless national policies provide a strong reason for restricting overall scale, type or distribution of development or the adverse impacts of meeting this need would significantly and demonstrably outweigh the benefits.
- 1.2 Local plan preparation should involve engagement with neighbouring local authorities to ensure strategic issues that need to be covered in the plan are identified. This engagement should also include local communities and other relevant bodies such as infrastructure providers.
- 1.3 There is a legal duty for local planning authorities to cooperate on cross boundary issues that affect their plan making. This cooperation should take place throughout the plan making process. Once prepared a local planning authority should submit what they consider to be a sound plan for examination. Through this examination, the Duty to Cooperate is assessed alongside the soundness of the plan.

BCP Local Plan production

- 1.4 As part of the work to produce both the BCP Council and Dorset Council local plans, regular meetings have taken place between officers. These meetings have been aimed at sharing progress on plan production and discussing issues that affect both councils and therefore may need a strategic or agreed approach to address them.
- 1.5 During the production of the local plans, the councils have jointly produced evidence to explore some of the cross-boundary issues to inform the production of the local plans. Jointly prepared evidence included:

- an examination of housing needs of specific groups through the production of a Housing Needs Assessment in 2021,
 - an examination of the demographic trends compared against the Standard Method established through the 2018 version of the National Planning Policy Framework in the Review of Housing Need report 2021.
 - an assessment of the need for employment land through the Dorset and BCP Employment Land Study 2024,
 - a Strategic Green Belt Review produced in 2021 which examines the contribution that parts of the Green Belt make to the Green Belt purposes set out in national policy
- 1.6 In addition to the production of joint evidence and the regular conversations about the content of the local plans, when either council undertook consultation on their local plan, formal responses were made to set out each council's position on the issues of relevance. The response to the BCP Council Local Plan regulation 18 consultation in March 2022 was delegated to the Corporate Director Economic Growth & Infrastructure and the regulation 19 consultation in May 2024 was considered by Cabinet.

Housing need in Dorset and BCP areas

- 1.7 A draft statement of common ground was prepared prior to the regulation 19 consultation. This was a factual statement of the cross-boundary issues that affect both councils. It was published on both councils' [websites](#) in March 2024 and refers to the approach that BCP Council were taking to establishing the housing target for their local plan.
- 1.8 In summary, the Government's Standard Method for calculating Local Housing Need is the advisory starting point for establishing a local plan's housing target. This uses the 2014 household projections alongside affordability ratios and allows for a cap if the results of the calculation are significantly above the projected household growth. There is provision within national policy to use an alternative starting point for establishing the local plan housing target in exceptional circumstances if the demographic characteristics of the area justify a deviation from the standard method calculation.

- 1.9 The Local Housing Need calculation for BCP Council is for 2,806 new homes per year whilst the equivalent for Dorset Council is 1,793 new homes per year.
- 1.10 In the submission version of their local plan, BCP Council have proposed an average housing target of 1,600 new homes per year which is 1,206 homes per year short of the calculated Local Housing Need. This proposed target was based upon an assessment of the capacity of the BCP area to accept new homes.
- 1.11 Although the councils had been communicating throughout the plan making process, no formal request was made by BCP Council for Dorset Council to consider helping meet the BCP housing need until 11 June 2024, mid-way through the regulation 19 consultation.
- 1.12 The total unmet need over the full plan period (2024 to 2039) equates to more than 15,000 new homes as stated in the unmet need request received on 11 June.

BCP Council Local Plan approach to meeting housing need

- 1.13 The overall aim of national planning policy on housing is to meet as much of an area's identified housing need as possible with a sufficient amount and variety of land coming forward where it is needed. In meeting housing needs, an appropriate mix of housing types, sizes and tenures should be delivered.
- 1.14 The main focus of the delivery of housing within the BCP Council Local Plan is on urban intensification within the existing built-up areas. Approximately 57% of the housing growth will be directed towards the strategic opportunity areas of Bournemouth centre, Christchurch town, Poole town and Hamworthy and Boscombe West. A further 33% of the total housing delivery will be at local opportunity areas within the existing built-up area. Urban intensification therefore accounts for approximately 90% of housing delivery in the BCP Council Local Plan. There are three existing strategic urban extensions that will deliver the remaining 10% of the housing growth.
- 1.15 There are no proposals within the BCP Council Local Plan to release development sites from the Green Belt despite the shortfall in identified supply against the Local Housing Need target derived from the Standard Method.

Dorset Council response to unmet need request

- 1.16 The approach of intensification at the town centres and other strategic opportunity areas is supported as this will deliver development that will improve the sustainability of these centres, enabling residents to access facilities easily. However, we consider that there are opportunities increase densities in some areas further than that proposed. We consider that the impact of doing this would be minimal and some benefits could be realised.
- 1.17 Build out of existing allocations is to be expected and fully supported. The build-out of these is more likely to deliver a broader mix of house types than the majority of the intensification sites where a prevalence of flatted development would be expected.
- 1.18 These approaches would deliver more new homes than currently proposed with minimal impact but would not meet the Local Housing Need in full. A strategic review of Green Belt opportunities is therefore needed, looking at opportunities in both BCP Council and Dorset Council areas. This review should have the aim of meeting the need for development in the most sustainable locations. To date, this work has not been undertaken. With the proposed increase in housing targets arising from the government's recent consultation on plan-making reforms, it is unlikely that there will be capacity for Dorset Council to meet the unmet need arising from the BCP Council area.
- 1.19 The result of not releasing Green Belt would be to displace the housing need beyond the outer edge of the Green Belt and in many cases, into the National Landscapes that cover much of Dorset. It is therefore preferable for BCP Council to release Green Belt alongside the release of Green Belt land in Dorset in order to deliver housing in the most sustainable locations. This review should be a joint exercise between Dorset Council and BCP Council. It is considered unreasonable to expect Dorset Council to release Green Belt sites within its part of the Green Belt to make up for the deficit in BCP Council's housing need when BCP Council are not looking to release sites within their part of the Green Belt.
- 1.20 The proposed housing target is some way off the standard method target and therefore results in the unmet need. There is concern whether the strategy for delivering new homes in the BCP Council Local Plan will deliver at the suggested rate; a rate higher than that which has been

delivered over the past 15 years. If the strategy did not deliver as anticipated, it would make this unmet need greater.

Pending changes to the National Planning Policy Framework

- 1.21 On the 30 July 2024, and since the BCP Council Local Plan was submitted for examination, the new Government published a consultation on changes to national planning policy. Alongside this, a Written Ministerial Statement was released which outlined the main priorities of the Government for the planning system. These priorities include an increase in the delivery of new homes, a focus on delivering development on brownfield land and a requirement to review Green Belt boundaries where the housing target cannot be met without doing so.
- 1.22 The proposed new Standard Method increase the Local Housing Need targets for both BCP Council and Dorset Council. The target for BCP Council from the current Standard Method is 2,806 new homes per year which, under the proposed Standard Method increases to 2,962 new homes per year. For Dorset Council, the current Standard Method gives a figure of 1,793 new homes per year whereas the proposed Standard Method gives a revised target of 3,230 new homes per year. It is likely that these higher targets would further reduce the capacity of Dorset Council to meet the needs of BCP Council.
- 1.23 Although the detail of the changes are the subject of consultation and therefore are still to be finalised, Written Ministerial Statements are material in plan making. As such the content of the recent statement may have an influence on how the BCP Council Local Plan progresses through the examination process.

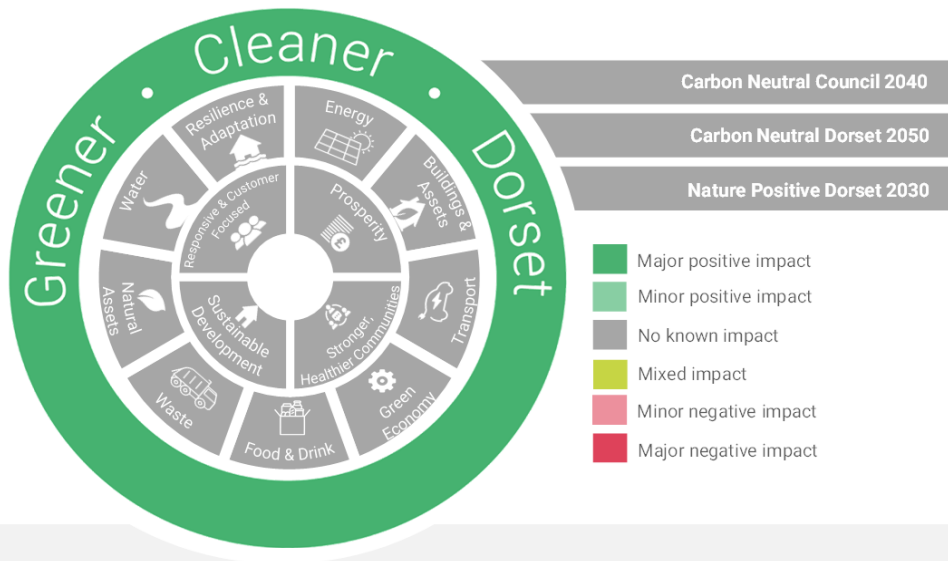
2. Financial Implications

- 2.1 This response is made to a request from BCP Council for Dorset Council to consider assisting in meeting their unmet housing need. The suggestion is that BCP undertake further work to explore options to meeting more fully their housing need and that this work be undertaken jointly with Dorset Council. This work would be funded from existing budgets with the cost shared with BCP Council.

3. Natural Environment, Climate & Ecology Implications

This report has no implications for the natural environment, for climate and for ecology. However, the outcomes of the examination of the BCP

Council Local Plan could potentially have implications that will be realised in the Dorset Council area.



Quantitative Impact on CEE targets (if known)		
	Unit	Number of units (+/-)
2030 - Natural asset extent & condition	Ha	Unknown
2040 - Operational Emissions	CO ₂ (tonnes)	Unknown
2050 - County Emissions	CO ₂ (tonnes)	Unknown

4. Well-being and Health Implications

None

5. Other Implications

None

6. Risk Assessment

6.1 There are risks for the Dorset Council Local Plan and for the delivery of homes to meet the needs of Dorset Council. If the examination of the BCP Council Local Plan concludes that Dorset Council should consider meeting some of BCP Council’s unmet need, additional homes may need to be provided in the Dorset Council area. Not responding to the request would result in Dorset Council’s position not being made known.

6.2 **HAVING CONSIDERED:** the risks associated with this decision; the level of risk has been identified as:

Current Risk: High
Residual Risk: Medium

7. **Equalities Impact Assessment**

- 7.1 This is part of the production of the BCP Council Local Plan. As such, the equalities issues associated with housing supply should have been considered by BCP Council.

8. **Appendices**

Appendix 1 – proposed response to BCP Council’s unmet need request

Appendix 2 – BCP Council’s unmet need request letter

Appendix 3 – BCP Council’s unmet need request holding response

Appendix 4 – response to BCP Council Local Plan regulation 18 consultation March 2022

9. **Background Papers**

BCP Council Local Plan Regulation 19 consultation response 11 June 2024 [Agenda for Cabinet on Tuesday, 11th June, 2024, 6.30 pm - Dorset Council](#)

10. **Report Sign Off**

- 11.1 This report has been through the internal report clearance process and has been signed off by the Director for Legal and Democratic (Monitoring Officer), the Executive Director for Corporate Development (Section 151 Officer) and the appropriate Portfolio Holder(s)