



Poole Local Plan
Growth & Infrastructure
Borough of Poole
Civic Centre
Poole
Dorset
BH15 2RU

SENT BY E-MAIL AND POST

22nd September 2017

Dear Sir / Madam

POOLE LOCAL PLAN PRE SUBMISSION CONSULTATION

Introduction

Thank you for consulting with the Home Builders Federation (HBF) on the above mentioned consultation. The HBF is the principal representative body of the house-building industry in England and Wales. Our representations reflect the views of our membership, which includes multi-national PLC's, regional developers and small, local builders. In any one year, our members account for over 80% of all new "for sale" market housing built in England and Wales as well as a large proportion of newly built affordable housing. We would like to submit the following comments and in due course attend the Examination Hearing Sessions to discuss these matters in greater detail.

Duty to Co-operate

The Duty to Co-operate (S110 of the Localism Act 2011 which introduced S33A into the 2004 Act) requires the Council to co-operate with other prescribed bodies to maximise the effectiveness of plan making by constructive, active and on-going engagement. The high level principles associated with the Duty are set out in the National Planning Policy Framework (NPPF) (paras 156, 178 – 181). Twenty three paragraphs of the National Planning Practice Guidance (NPPG) provide more detail about the Duty. As the Core Strategy was originally adopted in 2011 it pre-dates the NPPF so it is now necessary for the Review to be fully compliant with the requirements of national policy. In determining if the Duty has been satisfactorily discharged it is important to consider the outcomes arising from the process of co-operation and the influence of these outcomes on the Core Strategy. A fundamental outcome is the delivery of full objectively assessed housing needs (OAHN) for market and affordable housing in the Housing Market Area (HMA) as set out in the NPPF (para 47) including the unmet

needs of neighbouring authorities where it is reasonable to do so and consistent with sustainable development (para 182).

It has been determined that Borough of Poole is part of the Eastern Dorset HMA together with Bournemouth, East Dorset, Christchurch and Purbeck. It is understood that the other Eastern Dorset HMA authorities have confirmed their inability to assist in meeting any of Poole's housing needs and there have been no formal requests from neighbouring authorities seeking assistance with meeting OAHN under the Duty to Co-operate. Therefore the District's housing needs will be met in full within the authority's own administrative boundaries and the Council is not proposing to meet any unmet needs arising elsewhere in the HMA or beyond.

However there is no supporting evidence such as a Statement of Compliance with the Duty available as part of this consultation. By the time of the Poole Local Plan Examination a Statement of Common Ground explaining cross boundary working as proposed in the Housing White Paper "*Fixing The Broken Housing Market*" and "Planning for the right homes in the right places : consultation proposals" document dated September 2017 will be required. The Government proposes that all Councils will have a Statement of Common Ground (its draft form in place in six months) in place twelve months from the publication of the revised NPPF (anticipated in Spring 2018). If any Statements of Common Ground are prepared the HBF may wish to submit further comments on the Council's legal compliance with the Duty and any implications for the soundness of the Local Plan in written Examination Hearing Statements and during oral discussion at the Examination Hearing Sessions.

OAHN & Housing Requirement

Policy PP2 – Amount & Broad Locations of Development proposes a minimum 14,200 dwellings (710 dwellings per annum) for the period 2013 – 2033 of which 3,425 dwellings will be specialist housing for an ageing population together with an additional 816 (net) care bed spaces.

The Council's latest calculation of OAHN is set out in the Eastern Dorset SHMA Final Report dated October 2015 by G L Hearn. The OAHN for Poole is assessed as :-

- 665 dwellings per annum representing the demographic starting point (using 2012 Sub National Household Projections (SNHP), 2013 mid-year Sub National Population Projections (SNPP) and a vacancy / second homes conversion rate from 2011 Census data) ;
- plus 45 dwellings per annum uplift to improve affordability (representing 7% increase by an upward adjustment to Household Formation Rates (HFR) in the 25 – 34 age group).

The NPPG advises that OAHN should be unconstrained (ID 2a-004) and assessed in relation to the relevant functional area known as the HMA (ID 2a-008). The NPPG methodology is a three stage process comprising :-

- Demographic (based on past population change and Household Formation Rates (HFR)) (ID 2a-015 – 017) ;
- Economic (in order to accommodate and not jeopardise future job growth) (ID 2a-018) ;
- Market signals (to counter-act worsening affordability caused by undersupply relative to demand) (ID 2a-019 & 020).

Whilst affordable housing need is separately assessed (ID 2a-022 – 028). The delivery of affordable housing can be a consideration for increasing planned housing provision (ID 2a-029).

The establishing of OAHN is not an exact science and there is no one methodological approach that provides a definitive assessment.

The Government's Housing White Paper was critical of Council's not undertaking an honest assessment of housing needs. The Government is proposing a standard methodology for the OAHN. Currently this standard methodology is being consulted on. A summary of the Government's proposed methodology is :-

- Latest SNHP ;
- Affordability ratio based on local median house prices to median work-place earnings ;
- Uplift of 0.25% to projections for every 1% increase in the affordability ratio above 4 ;
- Subject to a cap of 40% above up to date adopted Local Plan housing figures or SNHP if adopted Local Plan is out of date whichever is the higher.

This is the minimum OAHN below which an alternative figure should not be proposed by the Council. It is proposed that the Council may have a "policy on" higher housing requirement to address economic growth and affordable housing delivery. Using this methodology the Government estimates a minimum OAHN for the Eastern Dorset HMA (Bournemouth, East Dorset, Christchurch, Purbeck and Poole) as 2,764 dwellings per annum and for Poole 781 dwellings per annum compared to the proposed housing requirement of 710 dwellings per annum.

The HBF submit the following concerns about the Council's assessment which is considered to represent an under estimation of OAHN :-

- The SHMA is now somewhat date by the time of the Poole Local Plan Examination it will be 3 years old. The Council should confirm whether or not any implications arise from the publication of the 2014 SNPP and 2014 SNHP. As set out in the NPPG (ID 2a-016) a re-assessment of OAHN is necessary if a meaningful change has been identified by these projections ;
- The Council should also confirm whether or not any backlog arising from under provision between the planned and delivered housing target

for the period 2006 – 2013 has been included. The adopted Core Strategy sets out a housing requirement of 10,000 dwellings (500 dwellings per annum) for the plan period 2006 – 2027 but between 2006 – 2016 only 4,371 dwellings were completed (average completion rate of 437 dwellings per annum). As commented on in the Local Plans Expert Group (LPEG) Report subsequent reviews, updates or replacement Plans should set out their housing requirement with reference to an up to date OAHN plus any shortfall in housing delivery from the base date of the previously adopted Plan to ensure that any backlog is not cancelled out by the virtue of regular plan reviews.

- It is agreed that recently observed suppressed trends in HFRs associated with the impacts of the economic downturn, constrained mortgage finance, past housing undersupply and the preceding period of increasing unaffordability particularly affected younger age groups. It is also agreed that these groups are likely to recover as the economy improves (Town & Country Planning Tomorrow Series Paper 16, “*New estimates of housing demand and need in England, 2001 to 2031*” by Alan Holman). Therefore an adjustment to HFR in younger age groups is appropriate. However as suggested in the LPEG Report in its recommendations for a standard methodology for the calculation of OAHN adjustments to HFR in younger age groups and for worsening market signals are separate and both are required (see below extract from Flowchart Steps A & B Appendix 6 LPEG Report)



- The Council has identified a widening affordability gap yet the 7% uplift to improve affordability is relatively modest in comparison to uplifts applied elsewhere especially given the long standing issue of housing affordability in the Borough. It is identified that the lower quartile house price to income ratio is 9.9. In comparison the Eastleigh Local Plan Inspector’s Preliminary Conclusions on Housing Need a 10% uplift was

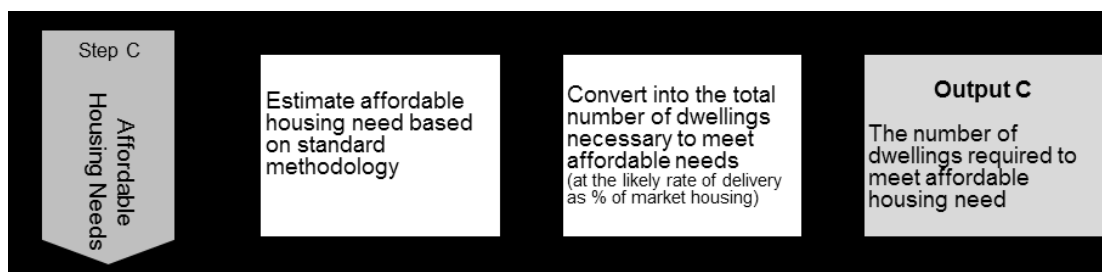
proposed as a cautious approach to modest pressures on market signals whilst the Uttlesford Local Plan Inspector's Conclusions found an overall increase of 10% was appropriate to achieve the objective of improving affordability. The LPEG recommendations also propose up to 25% uplift to improve affordability dependant on house price and rental affordability ratios (see above extract from Appendix 6 LPEG Report). The Government's proposed formula for an affordability adjustment in the standard methodology is also a much higher uplift figure ;

- The sensitivity testing to support economic growth based on the preferred Local Knowledge scenario identified a figure of 694 dwellings per annum. The Council should ensure that assessments and strategies for housing, employment and other uses are integrated taking full account of market and economic signals (NPPF para 158). It is acknowledged that adjustments are not mutually exclusive so uplifts to improve housing affordability will also contribute towards supporting economic growth.

In assessing affordable housing needs the Council tested a number of scenarios for the percentage (25%, 30%, 35% and 40%) of household income spent on housing. The affordable housing need of 660 affordable homes per annum is based on the 30% affordability threshold scenario. This figure represents a significant reduction from the 25% scenario of 772 affordable homes per annum (as set out in Table 37 of SHMA Report). The Council's choice of the 30% scenario as its assessment of affordable housing needs should be fully justified so the Council is not seen to be under-estimating its affordable housing needs. As stated by the Prime Minister in the Housing White Paper *"Our broken housing market is one of the greatest barriers to progress in Britain today. Whether buying or renting the fact is that housing is increasingly unaffordable – particularly for ordinary working class people who are struggling to get by ... high housing costs hurt ordinary working people the most ... working households below-average incomes spend a third or more of their disposable income on housing. This means they have less money to spend on other things every month ... I want to fix this broken market so housing is more affordable ... The starting point is to build more homes. This will slow the rise in housing costs so that ordinary working families can afford to buy a home and it will also bring the cost of renting down"*. Therefore the Council should not fail to recognise the true scale of its affordable housing needs.

Even if it is accepted that the affordable housing need is only 660 affordable homes per annum this represents 93% of the overall OAHN. **Policy PP11** proposes on sites of 11+ dwellings affordable housing provision of 10% in Poole town centre and 40% elsewhere in the Borough from private sector cross subsidy (S106 Agreements) due to viability constraints. Between 2006 – 2016 only 623 affordable houses were delivered. As set out in the NPPG an increase in the total housing included in a Plan should be considered where it could help to deliver the required number of affordable homes (ID : 2a-029). In comparison to Poole other Local Plans have included significant uplifts to meet affordable housing needs for example in Canterbury there is an uplift of

30% (paras 20, 25 & 26 Canterbury Local Plan Inspectors Note on main outcomes of Stage 1 Hearings dated 7 August 2015) and in Bath & North East Somerset there is an increase of 44% (paras 77 & 78 BANES Core Strategy Final report 24 June 2014). More recently the Gloucester, Cheltenham & Tewkesbury Joint Core Strategy Inspector's Interim Conclusions proposes a 5% uplift to help deliver affordable housing needs. Elsewhere in Gloucestershire the Forest of Dean Inspector has also suggested a 10% uplift in his Interim Findings stating *"to seek to deliver all of the identified affordable housing need as a proportion of market housing would result in unrealistic and undeliverable allocations. But it does not necessarily follow that some increased provision could not be achieved ...I consider that an uplift of 10%, which has been found reasonable in other plan examinations, would be more appropriate here"* (para 63). The use of uplifts to meet in full OAHN for affordable housing is also recommended in the LPEG Report (see Flowchart Steps C & D in Appendix 6 of LPEG Report)



In Poole there is a sizable difference between affordable housing need and supply so it is inevitable that some affordable housing needs will remain unmet therefore the Council should have given greater consideration to increasing housing supply to deliver more affordable houses as set out in the NPPG.

For the reasons set out above the HBF considers that a housing requirement of 710 dwellings per annum is based on an under-estimation of OAHN together with an under-delivery of affordable housing need. As stated by the Government in the Housing White Paper this may or may not be an honest assessment of housing needs which will be tested at the Local Plan Examination. The Council should give consideration to the implications of the Government's proposal for a standardised methodology for OAHN. The Government's estimate is a minimum of 2,764 dwellings per annum for the Eastern Dorset HMA and in Poole 782 dwellings per annum (+72 dwellings per annum above the proposed housing requirement). The DCLG Planning Update Newsletter dated 31st July 2017 confirms that the Government's consultation on the standard methodology is delayed until September 2017. The letter also states that if a Local Plan is submitted for examination on or before 31st March 2018 the Plan may progress using the existing methodology for OAHN as set out in current guidance. However if that Plan is withdrawn from examination or found unsound the new Local Plan would be prepared using the standardised methodology. If a re-assessment of housing needs using the standard methodology is undertaken the HBF may wish to submit further comments on OAHN and the Council's housing requirement in written Examination Hearing Statements and during oral discussion at the Examination Hearing Sessions.

Housing Land Supply (HLS)

The Council should be proactively supporting sustainable development to deliver a significant boost to the supply of housing to meet identified housing needs (NPPF paras 17 & 47). The Council should use its evidence base to ensure that its Local Plan meets OAHN in full as far as is consistent with the NPPF including identifying key sites critical to the delivery of the housing strategy over the plan period (para 47). As set out in the Housing White Paper the Council should be planning for the right homes in the right places by making enough land available to meet assessed housing requirements.

The Borough is constrained by the sea, environmental designations and Green Belt so the Local Plan's focus is on redevelopment and the most efficient use of land within the urban area including an intensification of housing densities. However it is not be possible to accommodate all future development needs within the urban area. The Council has calculated the brownfield capacity of the Borough as 12,900 dwellings. The desire to regenerate brownfield land has been balanced with meeting development needs. Therefore the Council has undertaken a comprehensive Green Belt review. The Council is proposing to adjust Green Belt boundaries to accommodate a minimum of 1,300 dwellings to boost the supply of affordable housing and family housing. The Council's evidence is set out in "Exceptional Circumstances to amend South East Dorset Green Belt Boundary" Report dated July 2017. The HBF is supportive of the Council's approach to its Green Belt review but make no comment on specific sites selected.

Policy PP2 – Amount & Broad Location of Development sets out the distribution of housing across the Borough comprising of :-

- 6,000 dwellings (42%) in Poole town centre ;
- 5,000 dwellings (36%) in sustainable transport corridors, district and local centres ;
- 1,900 dwellings (13%) elsewhere in the urban area ;
- 1,300 dwellings (9%) in SUEs.

Policy PP4 – Town Centre & North Regeneration Area allocates six sites (T1 – T6) for circa 1,630 dwellings. **Policy PP5 – Twin Sails Regeneration Area** allocates five sites (T7 – T11) for circa 2,470 dwellings. **Policy PP6 – High Street, Quay & Old Town** allocates four sites (T12 – T15) for circa 390 dwellings. **Policy PP9 – Urban Allocations outside town centre** allocates sixteen sites (U1 – U16) for circa 1,635 dwellings. **Policy PP10 – Sustainable Housing Extensions (SUEs)** allocates two sites at North of Merley (UE1) for 500 dwellings and North of Bearwood (UE2) for 800 dwellings.

The Council's HLS is set out in Figure 18 :-

- | | | |
|-----------------------------|-----------------|-------|
| • Completions | 1,380 dwellings | 10% ; |
| • Commitments | 1,716 dwellings | 12% ; |
| • Allocations – town centre | 4,380 dwellings | 31% ; |

• Allocations – outside town centre	2,085 dwellings	15% ;
• SUEs – Bearwood & Merley	1,300 dwellings	9% ;
• Identified urban sites (SHLAA sites of less than 40 dwellings not allocated)	1,089 dwellings	7% ;
• Windfalls	2,250 dwellings	16% ;
• TOTAL	14,200 dwellings	100%

The Council should recognise that previously developed land (PDL) is a finite resource which will decline over time. A spatial strategy overly focussed on PDL is a risky one as illustrated by past housing delivery below the adopted Plan's housing targets. The remaining brownfield capacity does not necessarily exist in the locations with highest housing needs and encouraging housing redevelopment should not erode the existing supply of employment sites. Furthermore the restricting of greenfield opportunities will not make unviable brownfield sites become viable and a cautious approach should also be applied to any intensification of housing densities.

A broader portfolio of sites would maximise housing delivery and ensure that the Poole Local Plan is positively prepared, justified and effective. A wider variety of sites by size, location and market type would maximise housing delivery because house builders of all types would have access to suitable land in order to offer the widest possible range of products. The key to increased housing supply is the number of sales outlets. Although some SUEs may have multiple outlets usually increasing the number of sales outlets available means increasing the number of housing sites whereby large strategic sites are complimented with smaller scale non-strategic sites. This approach is also promoted in the Housing White Paper because a good mix of sites provides choice for consumers, allows places to grow in sustainable ways and creates opportunities to diversify the construction sector.

A plan led system must be planned including contingency planning therefore the HLS over the plan period should not be planned to a minimum with no flexibility to respond to changing circumstances. There is no contingency in the Council's proposed HLS which is equal to the housing requirement of 14,200 dwellings. This housing requirement figure is a minimum and it should not be treated as a maximum nor a ceiling to restrict sustainable development from happening. Furthermore the Council may need to consider a HLS for a housing requirement figure greater than currently proposed due to an under-estimation of OAHN.

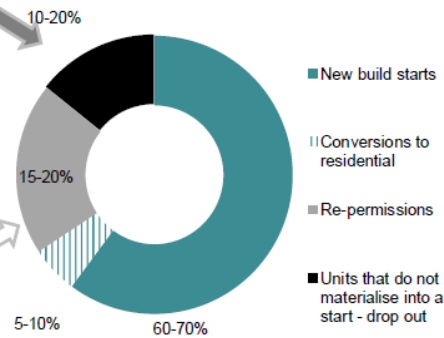
There should be sufficient headroom provided (see below DCLG presentation slide from HBF Planning Conference September 2015). This slide illustrates 10 – 20% non-implementation gap together with 15 – 20% lapse rate. The slide also suggests “the need to plan for permissions on more units than the housing start / completions ambition”. Whilst it is acknowledged that this presentation slide shows average percentages across England the Council should be planning some headroom into its HLS.



In recent years there has been a 30-40% gap between permissions and housing starts

- **Gap of around 30-40%** between the number of permissions given for housing and starts on site within a year. Estimate that for a year's permissions for housing around:
 - **10-20%** do not materialise into a start; the permission 'drops out': this could be because -
 - the landowner cannot get the price for the site that they want
 - a developer cannot secure finance or meet the terms of an option
 - the development is later not considered to be financially worthwhile
 - there are supply chain constraints hindering a start.

There may be scope to reduce this through policy.
 - **15-20%** are not abandoned but a **re-permission** is sought, for example to make a major change to plans or to extend the development period.
- Recent data and realities of private market suggests need to **plan for permissions on more units than housing start/completion ambition.**



Extract from slide presentation "DCLG Planning Update" by Ruth Stanier Director of Planning - HBF Planning Conference Sept 2015

The Council's HLS assumes that all of the allocations will be found sound. However the soundness of individual allocations will be discussed throughout the course of the Local Plan Examination. If any are found to be unsound these will need to be deleted from the deliverable supply accordingly. Further alternative site allocations may be needed.

The HBF agrees that future windfall's are unlikely to equal the historic delivery rate of 355 dwellings per annum. However the proposed allowance of 150 dwellings per annum throughout the 15 years of the remaining plan period may also be too high given the extensive work undertaken to identify future sites.

Furthermore it is noted that the Council is not proposing any safeguarded land for the period beyond 2033 (para 50) due to uncertainty about the flight paths of the nightjars which will be addressed as part of the Local Plan review by 2023. The LPEG Report recommended that "*the NPPF makes clear that local plans should be required not only to demonstrate a five year land supply but also focus on ensuring a more effective supply of developable land for the medium to long term (over the whole plan period), plus make provision for, and provide a mechanism for the release of, developable Reserve Sites equivalent to 20% of their housing requirement, as far as is consistent with the policies set out in the NPPF*" (para 11.4 of the LPEG Report).

Policy PP7 – Facilitating a step change in housing delivery proposes a stepped trajectory of :-

- 2013 – 2017/18 500 dwellings per annum ;
- 2018/19 – 2022/23 700 dwellings per annum ;

- 2023/24 onwards 815 dwellings per annum.

Policy PP7 also proposes that the Local Plan will be reviewed by 2023 to ascertain if the planned mitigation measures have been effective and no adverse harm has been caused to habitats (para 1.14 & 1.15). However it is recommended that the possibility of an early review is also included in this policy if monitoring triggers relating to 5 YHLS and completions below 10% of the housing requirement are breached.

5 Year Housing Land Supply (YHLS)

The Council has not provided a 5 YHLS calculation for this consultation. The 5 YHLS calculation is a snap shot in time which can change very quickly. Therefore the following comments address matters of principle rather than detailed site specific analysis. The HBF's preferences for the calculation of 5 YHLS are the Sedgefield approach to shortfalls as set out in the NPPG (ID 3-035) with a 20% buffer applied to both the annualised housing requirement (in this case as set out in proposed phasing in Policy PP7) and any shortfall. The Council should be doing everything possible to deliver previous housing shortfalls as soon as possible. This is not just a mathematical calculation but represents households in need of housing.

Under the Housing White Paper a Housing Delivery Test is proposed. On the Council's evidence of past completions the Council would fail this test.

The HBF do not comment on the merits or otherwise of individual sites therefore our representations are submitted without prejudice to any comments made by other parties on the deliverability of specific sites included in the overall HLS, 5 YHLS and housing trajectories. However it is essential that the Council's assumptions on lead-in times, lapse rates and delivery rates for sites are realistic. These assumptions should be supported by parties responsible for delivery of housing and sense checked by the Council using historical empirical data and local knowledge. The Council is expecting the two SUEs to deliver from 2020/21 the Council should confirm that its assumptions about lead in times both before and after the granting of planning permission are of appropriate length and these assumptions are supported by the respective housebuilders responsible for delivery.

If other parties are able to demonstrate that the Council's assumptions about its HLS are not robust the Council's 5 YHLS may reduce below 5 years on adoption. Without reasonable certainty that the Council has a 5 YHLS the Core Strategy Review cannot be sound as it would be neither effective nor consistent with national policy and on adoption its policies for the supply of housing would be instantly out of date on (NPPF para 49).

The HBF may wish to submit further comments on the Council's 5 YHLS (when the Council's evidence is published) in written Examination Hearing Statements and during oral discussion at the Examination Hearing Sessions.

Other Housing Policies

Policy PP8 – Type & Mix of Housing

Policy PP8 specifies that regard should be had to the SHMA and self build register in determining housing mix. However it is noted that the Council's own strategy ignores this evidence as there is an acute mismatch between the urban regeneration focus for apartment developments and the need for 70% of market housing to be family housing. The strategy proposes that family housing needs will be met on the two SUEs which comprise only 9% of the overall HLS.

Policy PP12 – Housing ageing population

Policy PP12 proposes that on sites of 11+ dwellings at least 20% of dwellings comply with the higher optional M4(2) standard for accessible / adaptable homes. If the Council wishes to adopt this standard then the Council should only do so by applying the criteria set out in the NPPG. It is incumbent on the Council to provide a local assessment evidencing the specific case for Poole which justifies the inclusion of optional higher standards for accessible / adaptable homes in **Policy PP12**. The Council's evidence is set out in "Needs Assessment future needs specialist housing and support services for older people in Poole" Report dated October 2016. It is acknowledged that 20% of the Borough's population is aged over 65 which will increase to 40% by 2033 and there is a net in-migration of retirees. However the Council's evidence on its ageing population is not unusual and is not a phenomenon specific to Poole. If it had been the Government's intention that such generic arguments justified adoption of the higher optional standards for adaptable / accessible dwellings then the logical solution would have been to incorporate the standards as mandatory via the Building Regulations which the Government has not done. It is the Council's intention to maximise independent living in the elderly and a need for 3,425 specialist dwellings (retirement, sheltered, extra care accommodation) representing 25% of the housing requirement has been identified. It has also been identified that the existing housing stock is grossly under-occupied with 57% of older households having at least 2 spare bedrooms the Council's ambition is for older households to move to alternative accommodation in order to free up family housing. Unfortunately an unintended consequence of **Policy PP12** may be to exacerbate under-occupation and discourage older households from moving. It is suggested that **Policy PP12** is modified so that only specialist dwellings are built to M4(2) standards rather than all dwellings.

Policy PP36 – Sustainable Homes

Bullet Point (2) of **Policy PP36** specifies a minimum requirement for 10% renewable energy on sites of 1 - 10 dwellings and a minimum requirement for 20% renewable energy on sites of 11+ dwellings. In doing so the Council is setting out a prescriptive policy on energy generation on new development. The starting point for the reduction of energy consumption should be an energy hierarchy of energy reduction, energy efficiency, renewable energy and then finally low carbon energy. The emphasis at the beginning should be on a 'fabric first' approach which by improving fabric specification increases thermal efficiency and so reduces heating and electricity usage. **Policy PP36**

should allow developers to select the most appropriate way to achieve the aims of this policy. It is most likely that the policy target can be achieved by a fabric first approach using the integration of passive design and energy efficiency measures without resorting to renewable energy generation. Therefore it is recommended that **Policy PP36** is amended.

Viability and Affordable Housing

If the Poole Local Plan is to be compliant with national policy then development should not be subject to such a scale of obligations and policy burdens that viability is threatened (NPPF paras 173 & 174). The residual land value model is highly sensitive to changes in its inputs therefore an adjustment or an error in any one assumption can have a significant impact on the residual land value. Therefore it is important that the Council understands and tests the influence of all inputs on the residual land value as this determines whether or not land is released for development. The Council's latest viability evidence is set out in Poole Local Plan & CIL Viability Study Update Report dated June 2017 by PBA. This report identifies that viability is challenging within the urban area and policy trade-offs are required between affordable housing provision and infrastructure. It is noted that the latest viability evidence recommends reductions in both affordable housing provision and the Community Infrastructure Levy (CIL) rates when compared to previously adopted requirements. The HBF is supportive of these recommendations.

Policy PP11 – Affordable Housing proposes that on sites of 11+ dwellings at least 10% affordable housing provision in Poole town centre and at least 40% affordable housing provision elsewhere in the Borough. On sites of 21+ dwellings affordable housing provision should be on site whilst on sites of less than 21 dwellings commuted sums are payable. The affordable housing tenure mix is 70% affordable rent / 30% intermediate.

The Council should be mindful that the cumulative burden of policy requirements are not set so high that the majority of sites are only deliverable if these sites are routinely rather than occasionally negotiated on the grounds of viability. The Council's evidence does not justify the "at least" prefix to affordable housing provision proposed in **Policy PP11** which should be deleted.

There is also concern about the Council's Existing Use Value approach to benchmark land values in **Policy PP39 – Viability**. The Harman Report highlighted that "*what ultimately matters for housing delivery is whether the value received by land owners is sufficient to persuade him or her to sell their land for development*". The Council's approach may not produce policy compliant housing delivery.

Conclusion

For the Poole Local Plan to be found sound under the four tests of soundness as defined by the NPPF (para 182), the Local Plan should be positively

prepared, justified, effective and consistent with national policy. The Local Plan is considered unsound because of :-

- Under-estimation of OAHN ;
- No flexibility in overall HLS ;
- Mismatch between housing needs and supply ;
- Lack of evidence supporting the Local Plan such as Statement of Common Ground, 5 YHLS position statement ;
- Insufficient justification for M4(2) and sustainable homes standards ;
- Unviable affordable housing policy.

We trust that our comments will be helpful in informing the next stages of the Council's plan preparation work. In the meantime if the Council requires any further assistance or information please contact the undersigned.

Yours faithfully
for and on behalf of **HBF**



Susan E Green MRTPI
Planning Manager – Local Plans