



The countryside charity
Dorset

To: Councillor Somper, Dorset Council

Date: 2nd October 2023

CC All Dorset Councillors

CC Steven Ford, Matthew Piles

Re: Dorset Council Housing Strategy Consultation

Dear Councillor Somper

Thank you for the invitation to respond to your consultation on Dorset Council's Housing Strategy. This response comes jointly from the "Dorset Deserves Better" Campaign and Dorset CPRE.

Dorset Deserves Better (DDB) is an alliance of local organisations and councils that calls for better strategic planning in Dorset with emphasis on preserving our exceptional green countryside, increasing affordable/social housing, reducing carbon emissions and improving biodiversity. Dorset CPRE campaigns for the countryside generally, and in particular by promoting better planning.

Evidence Base

Before we comment on the Housing Strategy, we would like to comment on the Evidence Base Document dated July 2023. We have serious concerns over the accuracy of some of the information in this document, while other parts appear to be incomplete and misleading. These are significant because, if the "Evidence Base" is in question, then it follows that the housing strategy may be based on false assumptions. Some of our concerns were sent to you already in a letter from Dorset CPRE dated August 2nd. You have acknowledged receipt of the letter but have chosen through your officers not to respond to our concerns, so some are repeated here.

The following are our main concerns with the Evidence Base document. We have also commented on how these then affect the basis for the housing strategy. Much of the extra information we provide comes from the Council's Housing Need Assessment dated November 2021 written by Icen: <https://www.dorsetcouncil.gov.uk/documents/35024/2012718/Housing+Needs+Assessment.pdf/caac9843-8acc-66bd-91f3-554b75c70091>. Page numbers refer usually to the Evidence Base document.

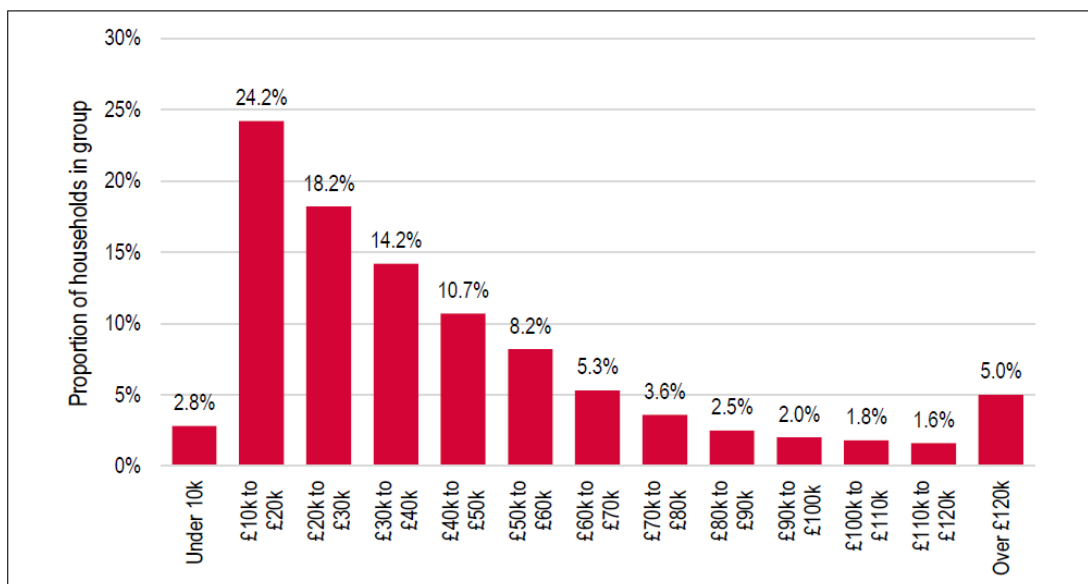
1. Estimated population growth is too high

The current DC area population is quoted as 379,850 with 7% growth over the next decade (Page 2). The source of the 7% growth is not stated and appears far too high. The most recent 2018-based ONS population Principle Projection gives a total growth in Dorset over the decade 2021-31 of 3.7% (2023-33 is 3.1%). Actual growth from 2011-21 was 3.9% and deaths now exceed births locally. The Council’s own population analysis uses a figure of only 4% growth for 2019-2029 (see <https://gi.dorsetcouncil.gov.uk/insights/Topics/Topic/Population>). We can find no justification for Dorset Council basing the Housing Strategy on doubling the projected growth figure produced by the ONS.

2. Low incomes require a greater emphasis on social housing

The median wage of working age residents is said to be £29,200 (page 2). This is correct, but the Icen report shows that more than a quarter of household incomes in the DC area are below £20,000 and the mode salary peaks at £10-£20k (See Figure 1 below). Any discussion of the needs for subsidised (social rent) homes needs to take this lower income into account, not just the median wage.

Distribution of Household income (2020) – Dorset from Table 7.8 in Icen Report, Nov 2021



3. Falling prices will restrict new building by developers

The report quotes average house prices of £325,000, up 30% on 2018 (Page 3). This unfortunately paints an incomplete picture of the current situation where interest rates have soared causing a country-wide fall in housing prices and a reduction in the number of land plots that builders are willing to develop. Long-term higher interest rates are likely to lead to a steady decline in real prices, restricting the supply of market new-builds and making nonsense of previous housing targets. Already, figures sourced from the Land Registry show that house prices overall in Dorset have fallen by 5% since 2007 after taking account of inflation (The Times August 6th 2023).

4. Housing Supply – the importance of Social Housing

12% of all DC area homes are classed as owned by social housing providers (Pages 3 & 6), including 16,667 for general needs and 4,768 sheltered/supported housing (Page 6). With 27% of household incomes below £20,000 in 2020 (see point 2 above), the need for extra social rented homes is obvious.

Average private rent for a 3-bed home is £1,017 (page 3), compared with £591 for social rent (Page 6) and a Local Housing Allowance of £792 (Page 3). The jungle of private renting is not an acceptable substitute to social housing with higher rents and lower security. A conclusion is that “affordable homes” generally cannot be taken up by those that really need them: demand for “Affordable” homes has been wrongly confused with the pressing need for social housing.

In April 2023 there were 4,488 households registered on the (social rented) housing register (Page 4), waiting for social housing. Fifty percent of that need is for one-bedroom homes (Page 4). The large requirement for one-bedroom social housing is not consistent with a policy of persuading private developers to include such homes on green-field estates in out-of-town developments. Instead, residents of one-bedroom social rental homes are likely to rely on public transport and to have above-normal reliance on health facilities.

5. “Affordable Housing” is often not affordable and projected demand is too high

Everyone wants “Affordable Housing”. Unfortunately the term has become confused as the government definition includes affordable rental housing, starter homes, discounted market housing, shared ownership and other forms of subsidised housing. The term also includes social housing (around 50% market rates) and both rental and owned properties. Under this definition “affordable” housing is not necessarily affordable by those that most need it.

The projected need for affordable housing in the Evidence Base includes 990 rented and 767 owned homes per year (Page 7). However, Iceni pointed out that many of the 950* households who were assumed to be unable to afford market rents are already in homes. They also argued that the annual need for 767 affordable homes for ownership could be met adequately from within the existing market with an estimated 1,192 affordable homes coming up for sale annually in Dorset (paragraphs 7.96 -7.97).

With this in mind, Iceni reduced the need for new affordable homes to 577 per annum (paragraph 7.68) or 2,885 new, affordable, rental properties over the 5 years under consideration. This contrasts with 8,785 (= 990x5 + 767x5) quoted by the DC evidence base, a huge and important difference.

(*Iceni’s figure was 950 not 990)

6. Housing Delivery already planned is excessive

The evidence base says that DC Planning has approved already a total of 10,176 homes in the 5-year period (top Page 8). This equates to 2,035 each year in total. This figure is high, suggesting that Dorset is planning well in excess of the Government’s Standard Method housing target of 1,757 per year (Iceni p2). The Evidence Base neglects the point made by Iceni that 1,757 homes (let alone 2,035) could not be sold annually in Dorset without doubling the current level of in-migration (see p86 for example) which would have consequent effects on the age structure of the area. It also begs the question whether such in-migration would occur at all, given that other Local Planning Authorities may also be planning to increase in-migration to meet their own inflated targets,

competing for the same people. In addition, it is hard to believe that 2,035 units can actually be built and sold every year in the future (See DC Housing Delivery Test Action Plan March 2022, p5.)

7. Too few homes are planned for affordable/social rent

The 10,176 homes planned for the next 5 years consist of 2,124 affordable for rent, 1330 affordable for ownership and 6,722 open market for sale (top Page 8). This amounts to 425 per year for affordable rent and 266 per year for affordable ownership (a total of 691 affordable per year or 34%). However, despite the apparently high totals, this still falls far short of need in the social/affordable rent sector of at least 577 per year.

A breakdown of the 600 affordable homes built recently (Page 7) into categories for social rent, affordable rent and affordable ownership would be very helpful. Our fear is that very few have been added to the vital social rent sector. In fact, building many market homes on green-field sites may be doing very little for Dorset's real housing needs.

A Better Housing Strategy

Given the commentary above, we would advocate that Dorset's housing strategy is based on the following principles:

1. Provision for Social Housing.

To address the 4,488 households registered on the housing register, there needs to be a concerted effort to build at least 580 social housing units per year. If as many as 1,000 social units per year were to be built, the backlog might be addressed within 5-6 years. We recommend these houses are built in sustainable, brownfield locations in towns and larger villages close to services, facilities and transport hubs.

Social housing should certainly not be confused with the "affordable housing" that is provided by the market housing sector. These houses are not affordable for many of the people who need them and conflating demand for market homes without meeting the need for social rent homes is a failed experiment in our view.

2. Provision for low-cost rental housing

Many people living in low-income jobs (below £20k/year) require access to low-cost rental housing. These people include many support workers. They are key workers providing essential services and yet they cannot easily find somewhere to live. Low-cost rental housing is essential to keep people in key employment sectors, especially since Dorset has such a high age profile and so needs a disproportionately high number of care workers. Brownfield sites in urban areas should be prioritised for these people with rents kept affordable through increased housing density and a "no-frills" specification. Car parking spaces are not necessarily required where more effective public transport is available. Solar panels on roofs and good insulation would keep down energy costs.

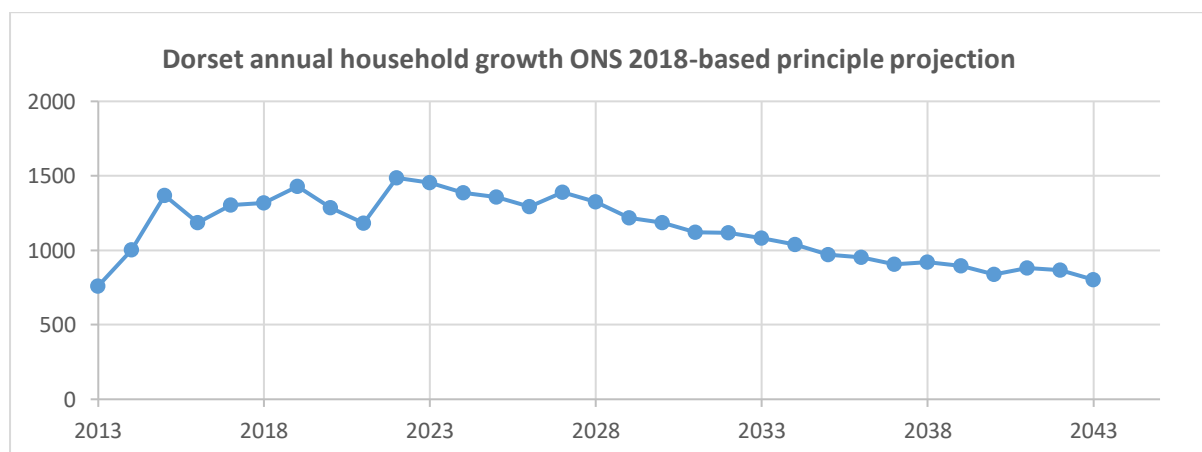
3. Second Homes and Short-term Rental Property for Profit

In some communities, second homes and short-term rental properties for profit are a significant problem taking properties out of circulation from long-term rental and as permanent homes. In such areas, second homes and short-term rental properties can be made less attractive through increased council tax and can be licensed to maintain control over numbers and standards.

4. Overall Housing Numbers

There is no justification for setting artificially high targets for overall house building numbers that can only be achieved with greenfield developments with a poor environmental footprint and poor out-of-town connectivity. Given that house prices are falling, we see no reason to build more market homes than current ONS projections require. Those that are built can be aimed at brownfield and more sustainable locations and could include a small number of properties on the edge of villages enabling them to remain viable for their own communities.

The latest data from ONS show:



Overall household growth is projected to decline. Combining targets, for overall housing and for social/affordable housing within that, suggests annual targets of:

5 year period	Affordable homes for rent pa	Market homes pa	Total homes pa
2024-28	580*	770	1350
2029-33	580	570	1150
2034-38	580	380	960

(*based on the Icen 577 figure cited already)

Obviously, using market housing as the only route to affordable/social homes is inadequate and other routes should be sought.

5. Brownfield vs Greenfield Developments

The housing policy should put brownfield developments first. In contrast, green-field developments should be used sparingly and only where they are required to satisfy local demand or to help sustain communities. In particular, the larger “ribbon” developments lying on the edge of towns erode the countryside, increase urban sprawl and usually fail to provide sufficient services or active and public transport options. As such, they tend to affect adjacent communities negatively and should be

avoided. In general, we need to learn to live within our existing footprint and not be ever expanding into the surrounding countryside.

6. Carbon Footprint of Existing Houses

For existing houses, Dorset Council can also encourage retrofitting of existing homes to higher standards of insulation, upgrading of heating systems to heat pumps and independent energy generation through installation of Rooftop PV and batteries. Community energy schemes should be encouraged because of their overall efficiencies and local pay-back. For existing house owners Dorset Council can also encourage consideration of rainwater recovery systems, growing their own foods and separating their waste water from sewerage to take the pressure off the local sewerage system. Government schemes to support these conversions must be fully utilised but there is more that Dorset Council can do to support these changes as well through better information and grants.

7. Carbon Footprint of New Houses

New houses should be built to the highest standards possible - at least the Future Homes and Buildings Standard - with heat pumps, PV solar on every roof and provision for EV car charging. There should be no exceptions. Retrofitting newly built houses in less than 10 years' time would be a mindless waste of money and resources. The council can bring in these changes early (as other councils have done) by introducing appropriate planning conditions.

Yours sincerely,

Giles Watts for Dorset Deserves Better

Michael Allen for Dorset CPRE