

A better housing target for the Dorset Local Plan

The whole Plan so far is based on the conjecture, from the MHLGC, that Dorset has a *housing crisis*:

- evidenced by unaffordably high prices,
- resulting from a lack of supply of new builds,
- and caused by a planning failure to release enough land.

The remedy from the MHLGC was to oblige Dorset Council to make a new local plan by 2023 based on the Standard Method, leading to a much higher housing target than hitherto, requiring **land to be allocated for 39,000 homes**.¹

This compares with the recent² projected growth of **20,000 households** in Dorset for the same period.

Dorset is unusually rural with no large urban centre where housing can expand. Building land is constrained by AONB, historic settings, Green Belt and more. As a result of the high target, **planners have been forced to allocate many extra Green Belt and green-field sites whose development objectively would be judged as harmful to future generations**. This has resulted in an estimated 50,000 negative responses to the draft Local Plan so far.³

Should this be helped by an alternative lower housing target justified locally? The answer is yes, for four reasons:

- The draft Local Plan⁴ shows 12,000 permissioned plots currently not built on, so land is not evidently a constraint on house building in Dorset. **More land won't help**⁵.
- Recently house building by developers in Dorset has followed projected household growth while permissioned plots have accumulated. Adopting a much higher target and allocating land in excess of projected demand will cause **planning chaos** in housing delivery tests and five year land supplies.
- Perversely, the sites where development is most harmful are also the most marketable and desirable to developers. If actual housing demand is below the Standard Method target, developers will cherry-pick from the surfeit offered. The sites where development would be less harmful will remain undeveloped. **Maximum harm will result**.
- Demographically, Dorset grows only because of net-incomers of modal age 60-64. Only households aged over 65 are projected to grow. This gives credence to Dorset having SE house prices with SW incomes. It has led to the older-than-average composition of Dorset's population and promises a growing care problem. **Expanding this retiree-dominated market is unwise**.

What should be done instead? Dorset Council's planners should be free to plan properly by balancing the need for homes against the harm caused to publicly-valued green spaces. This would chime with recent ministerial remarks about leeway in meeting targets, greater use of brownfield sites, reasonableness regarding constraints such as Green Belt and AONB, and sophistication in the way *soundness* is regarded by Planning Inspectors. The Standard Method constrictor knot feared by planners should be loosened by the MLUHC. A more modest housing target (22,000 has been suggested) would match actual demand yet remove the need for any new allocations of land in the Green Belt and the AONBs. It would offer scope to address the negative results of the consultation and foster a positive reception for the next iteration of the plan.

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(1) 39,000 is built up by averaging 10 years of the out-dated 2014-based Household projection, increasing it by 38% based on a high local affordability ratio, multiplying by 17 years, then adding overspill from BCP and an allowance for sites not built.

(2) ONS 2018-based principle projection 2021-2038; little has changed in the Dorset projection, but the BCP projection has reduced dramatically since the Standard Method (SM) was created; that reduction has removed completely any need for Dorset to take overspill housing from BCP, but only if BCP escapes the SM as well.

(3) Based on a sample of 3,000 of which 75% were negative, from a total of 66,000 submitted.

(4) Fig 2.7 in the first volume of the Draft Dorset January 2021.

(5) As long as there is more than one potential buyer for each house on sale, people will pay as much as they can afford for a house they want to buy. Low interest rates or access to wealth, which enable buyers to afford to borrow or spend more, push prices up. Buyers believe prices will always rise, so they feel comfortable doing this. Help for those priced out must come in other ways.