

Strategic Planning - Policy Comment

Date: 28 April 2023

Application No:	<i>P/OUT/2023/0116</i>	Policy Officer:	<i>Trevor Warrick</i>
Location:	<i>Land to the South of Ringwood Road, Alderholt</i>		
<p>Mixed use development of up to 1,700 dwellings including affordable housing and care provision; 10,000sqm of employment space in the form of a business park; village centre with associated retail, commercial, community and health facilities; open space including the provision of suitable alternative natural green space (SANG); biodiversity enhancements; solar array, and new roads, access arrangements and associated infrastructure (Outline Application with all matters reserved apart from access off Hillbury Road).</p>			
<p>Summary of main issues:</p> <ul style="list-style-type: none"> • The location of the development outside the policy envelope of Alderholt; • The scale of development, which would elevate Alderholt to a higher tier in the Local Plan’s settlement hierarchy (rather than conforming to it) and which would not be consistent with Alderholt’s function as a ‘Rural Service Centre’; • The scale of development at a settlement in the fourth tier of the settlement hierarchy and outside existing urban areas (predominantly on greenfield land), which would not be consistent with the proposed broad location and scale of development in the Local Plan; • The proposed overall level and mix of affordable housing; • The lack of a five-year housing land supply and the presumption in favour of sustainable development; and • The delivery of the proposed scheme and its likely contribution to housing supply. 			
<p>The development plan includes:</p> <ul style="list-style-type: none"> • The Christchurch and East Dorset Local Plan Part 1 – Core Strategy (2014) – (CS) • The saved policies of the East Dorset Local Plan (2002) – (EDLP) • The Bournemouth, Dorset and Poole Minerals Strategy (2014) 			
<p>Material considerations include:</p> <ul style="list-style-type: none"> • National Planning Policy Framework (July 2021) • National Planning Policy Guidance and Written Ministerial Statement on First Homes (May 2021) • Christchurch and East Dorset Housing and Affordable Housing Supplementary Planning Document (SPD) (2018) • The Dorset and BCP Local Housing Needs Assessment (2021) • East Dorset Five-year Housing Land Supply April 2022 document (April 2023) • Dorset Council Local Plan Options Consultation (January 2021) • East Dorset Local Plan Options (2018) 			

Introduction

The main policy issues are:

- Issue 1 – The location of the development outside the policy envelope of Alderholt, which conflicts with saved Policy A1 of the EDLP;
- Issue 2 - The scale of development, which would elevate Alderholt to a higher tier in the settlement hierarchy (rather than conforming to it) contrary to Policy KS2 of the CS;
- Issue 3 - The scale of development, which would not be consistent with Alderholt’s function as a ‘Rural Service Centre’, as defined in Policy KS2 of the CS;

- Issue 4 - The scale of development in a location outside existing urban areas (predominantly on greenfield land), which would not be consistent with the proposed broad location and scale of development set out in Policy KS4 of the CS;
- Issue 5 - The scale of development at a settlement in the fourth tier of the settlement hierarchy, which would not be consistent with the proposed location and scale of development set out in Policy KS4 of the CS;
- Issue 6 - The overall level of affordable housing provision (35%), which falls well below the levels sought by Policy LN3 of the CS (up to 50%), without clear and robust justification;
- Issue 7 - The proposed mix of affordable housing, which does not reflect the local housing needs identified in the latest housing needs assessment, contrary to Policy LN3 of the CS;
- Issue 8 – The lack of a five-year housing land supply in East Dorset and the implications for the application of the presumption in favour of sustainable development; and
- Issue 9 – The timeline for the delivery of the development and its likely contribution to housing land supply.

These comments have been made in the context of the adopted development plan and national planning policy and guidance. Paragraph 48 of the NPPF indicates that local planning authorities may give weight to relevant policies in ‘emerging plans’ when determining planning applications. In this context, it should be noted that East Dorset District Council undertook consultation on options for the review of the East Dorset Local Plan in July 2018 and Dorset Council undertook consultation on a draft of the Dorset Council Local Plan in January 2021. Both documents examined the potential for growth at Alderholt.

Draft Policy 5.28 in the East Dorset Local Plan Options document proposed ‘a minimum of 1,000 dwellings’ at Alderholt to the south and west of the village including (but not limited to) land within the application site. However, East Dorset District Council no longer exists and the East Dorset Local Plan Review Options document is not being taken forward by Dorset Council. As this is no longer an ‘emerging plan’, Paragraph 48 of the NPPF does not apply.

The draft Dorset Council Local Plan sets out a number of ‘proposed allocations’ and also a number of more tentative ‘options’ at certain locations, including at Alderholt. Option 1 was for 300 homes north of Ringwood Road and Option 2 was for the ‘significant expansion of Alderholt’ on a range of sites all around the village (including on land within the application site). It should be noted that the significant expansion of Alderholt is only discussed (as an ‘option’) in the text and not in a draft policy, which raises the question of whether Paragraph 48 of the NPPF applies. Even if it does apply, only very limited weight should be given to the proposals at Alderholt as: the plan is at a very early stage (Regulation 18); and there are many unresolved objections (both to the plan as a whole and to the proposals for Alderholt) – see <https://www.dorsetcouncil.gov.uk/documents/35024/3473863/Final+consultation+summary+-+Alderholt.pdf/d6fcaba5-98ba-01e0-2c8e-b9654f1ada82?t=1675415698832>.

Issue 1 – Village Envelope

The application site lies to the south and west of Alderholt, which is defined as a Rural Service Centre within the settlement hierarchy set out in Policy KS2 of the CS. The CS did not alter the ‘policy envelope’ (or settlement boundary) for Alderholt which was defined by the EDLP. The application site lies outside the ‘policy envelope’ as defined on the Proposals Map.

Policy A1 of the EDLP states that ‘housing development at Alderholt will be permitted under Policy HODEV1 within the policy envelope defined on the Proposals Map’. When the plan is read as a whole it is clearly intended to limit housing at Alderholt to sites within the policy envelope. As this site lies outside the policy envelope, it would conflict with saved Policy A1 of the EDLP.

Policy HODEV1 is not a saved policy and in any event is not relevant to this scheme as it relates to proposals for housing development 'within the existing urban areas and village policy envelopes as defined on the Proposals Map'.

Issues 2 and 3 - The Settlement Hierarchy and Alderholt's Role as a 'Rural Service Centre'

Policy KS2 of the CS states that 'the location, scale and distribution of development should conform with the settlement hierarchy for Christchurch and East Dorset, which will also help to inform service providers about the provision of infrastructure, services and facilities.'

The settlement hierarchy contains six tiers and Alderholt is classified as a 'Rural Service Centre' in the fourth tier of the hierarchy. Policy KS2 states that 'Rural Service Centres' will function as the 'main providers for the rural area where residential development will be allowed of a scale that reinforces their roles as providers of community, leisure and retail facilities to support the village and adjacent communities'.

The proposal is for a 'mixed use development of up to 1,700 dwellings'. This scale of development would not conform with the settlement hierarchy (or the proposed broad location and scale of housing proposed in the adopted local plan). Also, it would not be consistent with Alderholt's function as a 'Rural Service Centre'.

Alderholt is already the largest village in East Dorset with a parish population of 3,196, according to the 2021 Census. Assuming an occupancy of between 2.2 to 2.4 people per dwelling, the proposed significant expansion would increase the population by between 3,740 to 4,080 people. This would result in a total population of between 6,936 and 7,276 people, which is broadly comparable to the population of the 'District Centre' of West Moors (2021 Census population of 7,408) or the 'Suburban Centre' of St Leonards and St Ives (2021 Census population of 7,905). Essentially, the scale of development proposed would be likely to elevate Alderholt to a higher level in the settlement hierarchy (either to a 'Suburban Centre' in the third tier, or to a 'District Centre' in the second tier). The proposal would clearly conflict with Policy KS2 of the CS as the scale of the development would not conform with the settlement hierarchy or the proposed broad location and scale of housing proposed in the adopted local plan.

Policy KS2 also sets out the scale of development that would be appropriate at 'Rural Centre Centres'. The development site extends to 122 hectares and about 45 hectares are proposed to be developed with housing, road infrastructure, employment and a new village centre (according to the land use budget in Table 1.1 of the applicant's planning statement). This proposed development would clearly be significantly above what would be required to reinforce Alderholt's 'function' as a provider of community, leisure and retail facilities to support the village and adjacent communities. The proposal would therefore conflict with Policy KS2 of the CS as it would not be consistent with Alderholt's function as a 'Rural Service Centre'.

Issues 4 and 5 – The Scale and Proposed Distribution of Development in Christchurch and East Dorset

Policy KS4 sets out the combined target for Christchurch and East Dorset of 'about 8,490 new homes' to be provided between 2013 and 2028. The policy also establishes that about 5,000 new homes can be provided within the existing urban areas. To meet the combined target the policy states that a further 3,465 new homes will be provided 'as new neighbourhoods at Christchurch, Burton, Corfe Mullen, Wimborne / Colehill, Ferndown / West Parley and Verwood'.

Paragraph 4.16 of the supporting text establishes that these sites were selected based on: ‘an assessment of the function of settlements; a ‘sieve map exercise’ at certain settlements to identify ‘areas of search’ which were not subject to ‘absolute constraints’; and a review of Green Belt boundaries. As a result, the plan identifies ‘Christchurch, Wimborne and Colehill, Verwood, Corfe Mullen, Ferndown and West Parley as suitable settlements for growth’. The plan also proposes ‘a limited amount of housing’ at Burton.

Effectively the CS seeks to locate the vast majority of the 3,465 new homes needed outside existing urban areas at the ‘Main Settlements’ of Christchurch, Wimborne, Ferndown and West Parley, Verwood and Corfe Mullen (i.e., at the first tier of the settlement hierarchy), although it should be noted that some of the proposed development at Wimborne is proposed between the town and the ‘Suburban Centre’ of Colehill (at the third tier of the settlement hierarchy). The ‘limited amount of housing’ (45 new homes) at the ‘Village’ of Burton (at the fifth tier of the settlement hierarchy), is justified in paragraph 4.16 to meet the ‘specific need for new housing to serve the needs of the village’.

The 1,700 new homes proposed at Alderholt is not consistent with the scale and proposed distribution of development in Policy KS4, both in terms of the level of development proposed outside existing urban areas (predominantly on greenfield land) and in terms of the level of development proposed below the first tier of the settlement hierarchy.

The CS envisages 3,465 new homes outside existing urban areas (predominantly on greenfield land). The proposed 1,700 new homes at Alderholt would increase this by around 49%. The CS proposes only 45 new homes at settlements which are not at the first tier of the settlement hierarchy (South of Burton under Policy CN2). The proposed development at Alderholt would increase this to 1,745 homes, comprising 1,700 new homes at the fourth tier of the settlement hierarchy and 45 at the fifth.

Given that the development would be on greenfield land on the edge of a settlement at the fourth tier of the adopted local plan’s settlement hierarchy, there are wider concerns about the sustainability of the proposals. They would clearly not be ‘plan-led’ as the planning system should be (as set out in paragraph 15 of the NPPF) and they would conflict with the local plan’s strategic policies, which establish the overall strategy for the pattern and scale of growth in an area (as set out in paragraph 20 of the NPPF).

Issue 6 – The Overall Level of Affordable Housing Provision

Whilst the overall level of affordable housing provision may be subject to a viability assessment, the proposed level of provision falls well below the level sought by Policy LN3 of the CS. More detail on how Policy LN3 should be applied is set out in the Christchurch and East Dorset Housing and Affordable Housing Supplementary Planning Document (SPD), the updated version of which was adopted in 2018. The issues in relation to the three parts of the policy are discussed in more detail below.

Affordable Housing – Policy Percentage Requirement

Where greenfield residential development, which results in a net increase of housing is proposed, the ‘Policy Percentage Requirements’ section of Policy LN3 of the CS requires the provision of ‘up to 50% of the residential units as affordable housing’ in accordance with the ‘Policy Delivery Requirements’ and the ‘Affordable Housing Requirements’.

The ‘Policy Percentage Requirements’ section of Policy LN3 also states that ‘Any Planning Application which on financial viability grounds proposes a lower level of affordable housing than is required by

the Policy Percentage Requirements must be accompanied by clear and robust evidence that will be subject to verification’.

The expectation of the policy is that on greenfield sites, such as the application site, 50% affordable housing should be provided, unless a lower level of provision can be clearly and robustly justified based on viability. The application is accompanied by a ‘viability statement’, which indicates that the provision of 35% affordable housing across the application site (i.e., 595 of the 1,700 dwellings) would be viable. Although the viability statement refers to a viability assessment, this does not appear to have been submitted with the application.

A comparison of what is being sought by the policy and what is being offered by the applicant is set out in the table below.

	Number	Percentage
Total number of homes proposed	1,700	100%
Affordable homes sought by Policy LN3	Up to 850	Up to 50%
Affordable homes offered by the applicant	595	35%
Shortfall against provision sought by policy	-255	

The table shows that the policy seeks up to 850 affordable homes, whereas the level of provision proposed is only 595 (i.e., 255 fewer affordable homes than are sought by the policy).

In the absence of a viability assessment, this part of Policy LN3 has not been complied with (although potentially this could be remedied by the submission, and subsequent verification, of a viability assessment). The viability statement is not considered to constitute ‘clear and robust evidence’ to determine whether the reduced level of provision (i.e., 35% - 595 affordable homes, rather than 50% - 850 affordable homes) is justified. The absence of the viability assessment also means that it is not possible to verify the evidence that sits behind the proposed reduced level of affordable housing provision.

[Affordable Housing – Affordable Housing Requirements](#)

This section of the policy relates to the mix of affordable housing units and whilst the mix of units ‘will be subject to negotiation and agreement with the Council’, there are certain requirements set out in the policy. One requirement is that the ‘tenure split should normally allow for 30% intermediate housing, with the remainder [70%] being affordable rented or social rented’.

Since the adoption of the CS (and the SPD), the Government has introduced First Homes and national guidance states that ‘First Homes are the government’s preferred discounted market tenure and should account for at least 25% of all affordable housing units delivered by developers through planning obligations.’

A Written Ministerial Statement was made on 24 May 2021, which sets out how the requirement for First Homes should be taken into account alongside local plan policies on tenure split. In relation to ‘the remaining 75% of affordable housing secured through developer contributions’ it says ‘the Government recognises the importance of social rent as part of the affordable housing tenure mix. A local authority should prioritise securing their policy requirements on social rent once they have secured the 25% First Homes requirement. Where other affordable housing units can be secured, these tenure-types should be secured in the relative proportions set out in the development plan’. The approach outlined in this statement is also reflected in national Planning Policy Guidance on First Homes (PPG reference ID: 70-015-20210524).

The approach in the viability statement produced by the applicant has been to apply the tenure split suggested in this part of the policy, after first excluding the 25% of First Homes (i.e., to apply the 70 / 30% tenure mix split from Policy LN3 to the remaining 75%), reflecting the approach advocated by Government. In relation to other planning applications, such as P/FUL/2022/03125 - land south of Edmondsham Road, Verwood, the Housing Enabling Team has already made comments indicating that this approach is acceptable.

If 35% affordable housing provision overall can be justified, then based on the Written Ministerial Statement, the PPG and earlier officer comments made in relation to other planning applications, the proposed tenure mix would be consistent with how Policy LN3 is now being applied, after the introduction of First Homes. The issue of the mix of affordable dwelling types is discussed under Issue 7.

Affordable Housing – Policy Delivery Requirements

This section of the policy requires on-site provision for affordable housing on sites of 15 or more dwellings. Notwithstanding the issues regarding the level and mix of affordable housing provision, the application is compliant in that respect.

This section of the policy also requires 10% of the affordable housing element on sites of 10 or more dwellings to be ‘planned for households requiring specially adapted or supported housing’. Paragraph 4.1 of the viability statement indicates that 60 of the 595 affordable units (i.e., 10%) would be planned for these purposes. Notwithstanding issues regarding the level and mix of affordable housing provision, the application is compliant in that respect.

Issue 7 – The Proposed Mix of Affordable Dwelling Types

The other key consideration under Policy LN3 of the CS is the proposed mix of affordable dwelling types. The policy indicates that the mix of affordable housing should reflect local housing needs, as identified in the latest Strategic Housing Market Assessment (SHMA). The latest assessment is the Dorset and BCP Local Housing Needs Assessment, published in 2021, which can be viewed here: <https://www.dorsetcouncil.gov.uk/documents/35024/2012718/Housing+Needs+Assessment.pdf/cac9843-8acc-66bd-91f3-554b75c70091?t=1641571411715>. This assessment recommends a percentage mix of dwelling types by bedroom size, both for affordable / social rent and for affordable home ownership.

A comparison between what is recommended by the assessment and what is proposed by the applicant (taken from Table 5.1 – Notional Housing Mix in the applicant’s planning statement) is set out in the table below. It should be noted that this analysis excludes First Homes.

Social / Affordable Rent	% mix proposed for Dorset in the 2021 HNA	Units proposed by the applicant - all affordable rent	% mix proposed by the applicant - all affordable rent
1-bedroom:	35%	150 flats/care units	48%
2-bedrooms:	35%	75 (50 flats; 25 houses)	24%
3-bedrooms:	25%	60 houses	19%
4+-bedrooms:	5%	27 houses	9%
Affordable Home Ownership	% mix proposed for Dorset in the 2021 HNA	Units proposed by the applicant – all shared ownership	% mix proposed by the applicant – all shared ownership
1-bedroom:	20%	47 flats	35%

2-bedrooms:	40%	35 (10 flats; 25 houses)	26%
3-bedrooms:	30%	35 houses	26%
4+-bedrooms:	10%	17 houses	13%

257 of the 446 affordable homes proposed would be flats, representing nearly 58% of the affordable housing provision (excluding First Homes). The 'notional housing mix' indicates that the rental element would all be 'affordable rent' (i.e., there would be no 'social rent' properties provided, despite the recognition by Government of 'the importance of social rent as part of the affordable housing tenure mix' in the Written Ministerial Statement of 24 May 2021). The table also shows that the level of provision of one-bedroom properties proposed by the applicant (excluding First Homes) would be significantly above the level of provision recommended by the latest housing needs assessment.

The proposed mix of affordable housing types potentially conflicts with Policy LN3 of the CS as it does not seem to reflect the local housing needs as identified in the latest housing needs assessment. However, the policy states that the mix of dwelling types 'will be subject to negotiation and agreement with the Council' and in that respect it would be helpful to also have the views of the Housing Enabling Team, especially since the latest housing needs assessment looks at the housing needs across the whole of the Dorset Council area (rather than just the former East Dorset) and the analysis above excludes the 149 First Homes proposed by the applicant.

Issue 8 - Presumption in Favour of Sustainable Development

Policy KS1 of the CS (adopted in 2014) sets out a 'presumption in favour of sustainable development', which largely reflects 'the presumption' in paragraph 11 of the current (2021) NPPF. Sub-sections (c) and (d) of paragraph 11 of the NPPF relate to decision-taking and part (d), which relates to proposals that conflict with the development plan, is the most relevant to this application. Footnote 8 to paragraph 11(d) indicates that the policies which are most important for determining the application are out-of-date if either: there is a lack of a five-year deliverable housing land supply (HLS); or there is a Housing Delivery Test (HDT) result of less than 75%.

With regards to the HLS, the most recently published document is the East Dorset Five-year Housing Land Supply April 2022 document produced in April 2023. This shows that for the period 2022 to 2027, East Dorset had a supply of deliverable sites equivalent to 4.15 years. It also shows a (provisional) Housing Delivery Test result of 87.8%.

As the HLS is less than five years, paragraph 11(d) means granting permission unless:

- i. the application of policies in this Framework that protect areas or assets of particular importance provides a clear reason for refusing the development proposed⁷; or
- ii. any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole.

Footnote 7 states:

'The policies referred to are those in this Framework (rather than those in development plans) relating to: habitats sites (and those sites listed in paragraph 181) and/or designated as Sites of Special Scientific Interest; land designated as Green Belt, Local Green Space, an Area of Outstanding Natural Beauty, a National Park (or within the Broads Authority) or defined as Heritage Coast; irreplaceable habitats; designated heritage assets (and other heritage assets of archaeological interest referred to in footnote 68); and areas at risk of flooding or coastal change'.

You will need to consult relevant officers in the Council and external consultees to determine whether this application will have an impact on any protected area or asset defined by NPPF footnote 7. The applicant's planning statement recognises the potential for impacts on a range of different interests and in many cases, mitigation is proposed. A view will need to be taken on whether the mitigation measures will successfully address the potential harm. Responses from specialist officers and consultees may help you to come to a view on this point.

If there is not a clear reason for refusing the proposal under part (i), then the 'tilted balance' described by part (ii) would be 'engaged'. This means that the harms associated with the proposal (including those set out in the issues identified in this response) would have to significantly outweigh the benefits when assessed against NPPF policies.

If the tilted balance is engaged, a view will need to be taken on whether any of the conflicts with the policies in the development plan are also reflected in the policies of the NPPF. The Policy Team would be happy to provide further advice on that point, if required.

If the tilted balance is engaged, any other harms identified by officers and / or consultees (when assessed against the policies in the NPPF taken as a whole) would also need to be weighed in the balance. Any such harms would need to significantly and demonstrably outweigh the potential benefits of the scheme, including: the provision of additional housing, which may contribute to overall housing land supply and the five-year housing land supply; the provision of affordable housing (albeit well below the level sought by Policy LN3 and potentially of a mix of dwelling types that does not reflect local need); and the provision of employment opportunities, infrastructure and facilities.

Issue 9 - Delivery and Contribution to Housing Supply

One of the benefits that needs to be considered (particularly if the 'tilted balance' is engaged), is the contribution the development would make to the five-year housing land supply. However, there does not appear to be a timeline or a trajectory for the delivery for the development and, in particular, for the delivery of the housing element.

Paragraph 5.59 of the section on minerals in the applicant's planning statement states that whilst 'detailed site investigation work ... has not been carried out ... there is a strong likelihood of mineral [sand and gravel] presence'. Paragraph 5.66 states 'it is acknowledged that a further planning application is likely to be deemed necessary to enable the removal of the minerals, but this has not been submitted ahead of a decision to consent the wider development contained in the outline application'. Paragraph 5.67 also states 'in order to ensure impact is minimised a phasing that aligns [the extraction of minerals] with the delivery of the proposed development will be drawn up and the necessary mass balance calculations made based on the approved Masterplan'.

These statements mean that there is considerable uncertainty about the timeline for the delivery of the development and also suggest that it is not yet possible to draw up a realistic phasing plan or trajectory for the delivery of housing on this site.

It also seems likely that a range of mitigation measures will need to be agreed and possibly also put in place at an early stage (or even prior to development), such as the proposed SANG and nutrient mitigation measures, which may also affect the trajectory for the delivery of housing on the site. Given: the long lead-in times needed for larger-scale developments; the fact that the current application is outline and further reserve matters applications will be required; the likely need for mineral extraction (as recognised by the applicant); and the likely need to put in place mitigation measures at an early stage, the extent to which the proposed scheme would assist in remedying the lack of a five-year housing land supply may be limited.

Conclusion

When arriving at a decision on the development proposal, it is important to recognise that there are a number of conflicts with the policies in the development plan. It should also be borne in mind that there is a lack of a five-year housing land supply in East Dorset, which means that 'the presumption in favour of sustainable development' in Paragraph 11 of the NPPF applies. However, at this stage it is not clear whether the application should be determined under part (i) or whether the 'tilted balance' in part (ii) should be engaged. The consultation responses from consultees and other Council officers may help you to come to a view on that point.