

Home Builders Federation

Matter 9

FOLKESTONE AND HYTHE LOCAL PLAN EXAMINATION

Matter 9 – Whether the approach to balanced neighbourhoods and District residential needs is justified, effective and consistent with national policy.

**Relevant policies – CSD1 and CSD2
Questions**

Policy CSD1

1) What is the evidence on affordable housing needs, what is the past record in terms of delivery and how will future delivery be achieved?

For Council

2) What is the basis for the site size thresholds and the proportions of affordable dwellings sought? Is this justified and consistent with national policy?

No comment.

3) What effect would the policy have on the viability of development proposals and what evidence is there in this respect?

We note the Council's response to the inspector's further questions on viability and the provision of additional evidence. With the new emphasis in the 2019 NPPF on testing the viability of development as part of the preparation of the local plan it is important that there is evidence to support the Council's position. As such we will reserve any comments on this issue until that evidence has been published.

4) What is the basis for the tenure split sought and is this justified?

No comment

5) Is the policy sufficiently flexible including in relation to the viability of development?

The policy provides some flexibility with regard to the provision of a financial contribution of broadly equivalent value where this can be robustly justified. Whilst



some flexibility is welcomed there may be situations where a reduction on the number of homes provided on site is required due to any changes in circumstance since the plan came into force. This could be increased infrastructure costs or changing external economic circumstances that would prevent a site from being developed without a reduction on the required contribution. We would therefore suggest that the policy is amended to allow for a reduction in the level of contribution where this can be justified in line with paragraph 57 of the NPPF.

6) In other respects, is the policy justified, effective and consistent with national policy?

As stated in our representations we do not consider the policy to be consistent with paragraph 16(d) of the NPPF is clear that local plans should “*contain policies that are clearly written and unambiguous, so it is evident how a decision maker should react to development proposals*”.

Policy CSD1 sets each requirement for affordable housing in the policy as minimum. In setting out this target as a minimum the Council are creating unnecessary uncertainty for the house building industry. Developers should be able to cost schemes with a high degree of predictability and this policy does not support this position. At present this policy appears to be the starting point of a negotiation and that the Council will seek higher contributions. By asking for a minimum affordable housing contribution it is not clear as what is expected and as such this policy should not be framed in this manner.

We also consider the requirement for land “capable of accommodating” development of either 6 to 10 dwellings or 11 to 14 dwellings to be inconsistent with national policy. Densities are dictated by the topography of the site, the character of the surrounding development, tree preservation orders, access etc. As such it is difficult to be definitive as to when a site could or could not deliver more development. We therefore consider this approach to be ambiguous as to how the decision maker should react and as such it is inconsistent with national policy.

The Council should replace “*affordable rent/social rent*” with “*affordable housing for rent*” as Annex 2 of the NPPF outlines that this definition encompasses both these tenures as well as other acceptable form of affordable rent such as those that are 20% below market rents. This amendment will ensure consistency with the Government’s definitions of affordable housing.

7) Are any main modifications to Policy CSD1 necessary for soundness?

Yes. ON the basis of our concerns outlined in question 6 we would recommend the following amendments are:

All housing development should include a broad range of tenures incorporating market housing for sale and affordable housing (affordable housing for rent, starter homes, discounted market sales housing and other affordable routes to home ownership), wherever practicable and subject to viability, as follows:

- *Development proposing (or land capable of accommodating) 6 to 10 dwellings (net gain) within the Kent Downs Area of Outstanding Natural Beauty should provide financial contributions towards the provision of affordable housing equivalent to one affordable dwelling on-site;*
- *Development proposing (or land capable of accommodating) 11 to 14 dwellings (net gain) at any location within the district should provide **a minimum** of two affordable dwellings on-site; and*
- *Development proposing (or land of 0.5ha or more in size) 15 or more dwellings (net gain) at any location within the district should provide **a minimum** of 22 per cent affordable dwellings on-site.*

For development proposing 15 or more dwellings, as a starting point approximately 30 per cent of the affordable housing provision shall be starter homes, discounted market sales or other affordable routes to home ownership shared equity and 70 per cent affordable housing for rent affordable rent/social rent. For sites under this threshold, the proportion of affordable housing tenures will be negotiated on a site-by-site basis.

Policy CSD2

8) What is the basis for the threshold of 15 or more dwellings and is it justified?

The threshold for housing mix of 15 homes is low and we could not find any evidence as to why this threshold was chosen. We would recommend that sites should only be required to consider a mix of homes from a minimum of 50 units. This will provide more flexibility for smaller sites where delivering a range of housing sizes can be more difficult. Any policy that could compromise the delivery of smaller sites is also contrary to Government's desire to increase the number of smaller sites coming forward.

9) Is the approach to a mix of tenures and the size of dwellings sufficiently clear and is it justified?

No comment

10) Is the policy sufficiently flexible in relation to viability and being able to respond to changing evidence on the mix of housing over the plan period?

For policies on housing mix to be effective they must ensure that housing delivery will not be compromised or stalled due to overly prescriptive requirements or the need to provide significant amounts of additional evidence. Paragraph 11 of the NPPF recognises this need for flexibility stating that plans should be "*sufficiently flexible to adapt to rapid change*". The HBF does not consider policies identifying a precise mix to offer the necessary flexibility and as such cannot be considered sound.

It is important to remember that whilst Strategic Housing Market Assessments (SHMA) can provide a broad snapshot in time of what is needed across an LPA or HMA they do not provide a definitive picture as to the demand for different types of homes in

specific locations. So, whilst we support Councils seeking to achieve a broad mix across the plan period this should not be translated directly into policy. It should be left for developers to supply the homes they consider are necessary to meet demand. The development industry understands what types of homes are needed to meet the demands of its customers, if it did not then the homes would not sell.

We would therefore suggest that the policy requires applications for housing development to have regard to the evidence on housing mix but that the final mix is left to agreement between the applicant and developer on a site by site basis. This would establish a flexible approach to housing mix which recognises that needs and demand will vary from area to area and site to site; ensures that the scheme is viable; and provides an appropriate mix for the location and the nature of the site being developed.

11) Is the approach to housing for older people and those requiring an element of care justified and consistent with national policy? How will such housing be delivered?

No comment

12) What is the evidence in relation to accommodation needs for Gypsies, Travellers and Travelling Showpeople?

No comment

13) How will these needs be met and what role will the Places and Policies Local Plan have in meeting needs and setting out a policy approach?

No comment

14) Are any main modifications to Policy CSD2 necessary for soundness?

As set out in our representations we recommend that the second paragraph of CSD2 be amended as suggested below:

Within developments of ~~45~~50 or more dwellings (net gain), where viable and practical:

- *A range of housing tenures should be provided including owner-occupied and private rented and affordable housing in accordance with CSD1. The council's Strategic Housing Market Assessment (SHMA) will be used as a starting point for determining when considering the mix of tenures; and*
- *A range of sizes of new dwellings should be provided. As a starting point, this range should reflect consider the mix identified in the SHMA as follows:*

Tenure	One bed (per cent)	Two to three bed (per cent)	Four bed + (per cent)
<i>Owner-occupied / private rent</i>	5 - 20	65 - 70	15 - 30

<i>Affordable tenures (shared ownership <u>starter homes,</u> <u>discounted market sales</u> <u>or other affordable routes</u> <u>to home ownership /</u> <u>affordable rent/social</u> <u>rent affordable housing</u> <u>for rent)</u></i>	<i>20 - 25</i>	<i>50 - 60</i>	<i>20 - 25</i>
---	----------------	----------------	----------------



Planning Manager – Local Plans SE and E