



OTTERPOOL PARK

COUNTRYSIDE • CONNECTED • CREATIVE

DOCUMENTS SUBMITTED IN SUPPORT
OP5 APPENDIX 4.14 – **HOUSING STRATEGY**
(INCLUDING AFFORDABLE HOUSING STRATEGY)

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March 2022



OTTERPOOL PARK

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APPLICATION CONTENTS

Application Administration

OP1	Covering Letter
OP2	Planning Fee
OP3	Outline Planning Application Form, including relevant certificates & CIL Form.

Environmental Statement

OP4	Non-technical Summary
OP5	Environmental Statement which assesses the impact of the proposed development on the following topics:

Chapter 1	Introduction
Chapter 2	EIA Approach and Methodology
Chapter 3	Development and Consideration of Alternatives
Chapter 4	The Site and Proposed Development
Chapter 5	Agriculture and Soils
Chapter 6	Air Quality
Chapter 7	Ecology and Biodiversity
Chapter 8	Climate Change
Chapter 9	Cultural Heritage
Chapter 10	Geology, Hydrology and Land Quality
Chapter 11	Human Health
Chapter 12	Landscape and Visual Impact
Chapter 13	Noise and Vibration
Chapter 14	Socioeconomic effects and community
Chapter 15	Surface water resources and flood risk
Chapter 16	Transport
Chapter 17	Waste and resource management

Please refer to ES Contents page which provides a full list of ES Appendices

Documents submitted for approval

OP5 Appendix 4.1	Development Specification
OP5 Appendix 4.2	Site Boundary and Parameter Plans
OP5 Appendix 2.8	Alternative Parameter Plans (with permitted waste facility in situ)
OP5 Appendix 4.3	Strategic Design Principles

Documents submitted in support

OP5 Appendix 2.6	Commitments Register
OP5 Appendix 2.7	Infrastructure Assessment (regarding the permitted waste facility)
OP5 Appendix 4.4	Illustrative accommodation schedule
OP5 Appendix 4.5	Illustrative plans

OP5 Appendix 4.6	Indicative phasing plan
OP5 Appendix 4.8	Utilities Strategy
OP5 Appendix 4.9	Energy Strategy
OP5 Appendix 4.10	Community Development and Facilities Strategy
OP5 Appendix 4.11	Green Infrastructure Strategy
OP5 Appendix 4.12	Heritage Strategy
OP5 Appendix 4.13	Governance and Stewardship Strategy
OP5 Appendix 4.14	Housing Strategy (including affordable housing strategy)
OP5 Appendix 4.15	Overarching Delivery Management Strategy
OP5 Appendix 4.16	Design and Access Statement
OP5 Appendix 9.25	Conservation Management Plan
OP5 Appendix 9.26	Schedule Monument Consent Decision
OP5 Appendix 11.1	Health Impact Assessment
OP5 Appendix 11.2	Retail Impact Assessment
OP5 Appendix 12.5	Kentish Vernacular Study and Colour Studies
OP5 Appendix 14.1	Economic Strategy
OP5 Appendix 15.1	Flood Risk Assessment and Surface Water Drainage Strategy
OP5 Appendix 15.2	Water Cycle Study
OP5 Appendix 16.4	Transport Assessment
OP5 Appendix 16.5	Transport Strategy
OP5 Appendix 16.6	Framework Travel Plan
OP5 Appendix 17.2	Minerals Assessment
OP5 Appendix 17.3	Outline site waste management plan

OP6	Guide to the Planning Application
OP7	Spatial Vision
OP8	Planning and Delivery Statement
OP9	Sustainability Statement
OP10	Monitoring and Evaluation Framework document
OP11	Mobility Vision Report
OP12	User-centric travel document
OP13	Access and Movement Mode Share Targets
OP14	Cultural and Creative Strategy
OP15	Statement of Community Involvement
OP16	Supplemental Statement of Community Involvement



Quod

Housing Strategy

Otterpool Park

March 2022

Contents

1	Executive Summary	1
2	Introduction	6
3	Method used to Identify Housing Need	8
4	Need - Local Need	13
5	Need - Keyworker Demand	31
6	Need – Supporting Local Economic Growth	34
7	Need - Wider District and Regional Affordable Need	39
8	Need - Market Demand	51
9	Proposed Housing Mix	58
10	Delivery	61
	Appendix A	

1 Executive Summary

Introduction

- 1.1 Otterpool Park proposes a significant level of housing delivery, in what will be a new place in itself. A robust housing strategy is important to ensuring that the benefits of the garden town are shared. Key to this shared benefit is ensuring the housing mix responds to the needs of various groups including existing local residents, the future community, local businesses and the wider area. This Housing Strategy has therefore been created to ensure that a suitable housing mix is identified and delivered, with a clear rationale sitting behind it.

Method and Policy

- 1.2 The Garden Town is anticipated to have an overall capacity for c.10,000 homes. Whilst the application includes only 8,500 homes it is felt prudent to ensure that the Housing Strategy supports a sustainable community of the full 10,000 homes if these are delivered. The Housing Strategy therefore analyses the potential for c.10,000 homes but ensures that the first 8,500 of these are also sustainable as a standalone settlement if the additional homes are not constructed. For simplicity, the Housing Strategy generally refers to 10,000 homes, aside from in any instances where the 8,500 home level would not require a pro-rata mix (i.e. if the need for 8,500 homes would not be 85% of the total identified for 10,000 homes). The approach is based on the principle of assuming that there is capacity for approximately 10,000 homes, then 'filling up' this space with different housing types to meet needs in order of priority.
- 1.3 While the report initially identifies a needs-based mix, it is recognised that there are wider policy requirements that must be met, such as the local requirement to provide 10% of home to meet elderly needs. These policy requirements are identified at the start of the report and then factored into the application parameters at the end.

Segment Needs

- 1.4 The following segments of housing need were identified and analysed to understand the types of home that would be most suitable. The segments are set out in order of priority, with local and onsite need prioritised over wider housing needs. Once local needs were met, the mix was effectively 'topped up' with homes responding to wider affordable and market needs, to arrive at 10,000 homes.

Local Needs

- 1.5 To identify local needs a doorstep survey of the six parishes local to Otterpool Park was conducted. A total of 513 surveys took place out of the 2,737 households in the area, ensuring a representative sample. In addition to their current housing requirements, respondents were asked about emerging households and income levels to allow for a wider analysis of needs and affordability.
- 1.6 The results identified that demand from the local area was predominantly for private sale and rent, but that discounted forms of home ownership would be beneficial for some households that could not afford the size of home it needs. A small element of affordable housing need was identified, which was also supported by residents. Existing households, who are looking to move, generally required houses, however 25% of emerging households required a flat. A need for a range of care accommodation and smaller homes for elderly residents to downsize was also identified.

Keyworker Demand

- 1.7 The keyworker demand segment was designed to meet the needs of keyworkers that will be required to fill key roles supporting the development, ensuring a sustainable community going forward. To identify housing needs, the forecast keyworker jobs within the Garden Town and income data for these roles were used.
- 1.8 The results identified that a wide mix of affordability and home types will be required, meeting the range of incomes and likely life stages in the segment. This mix recognises that the majority of keyworkers cannot afford open market rates for a home that meets their needs, meaning intermediate and affordable housing options are required. The mixture of required unit types was identified as being required to meet needs ranging from single trainee nurses through to senior doctors and leisure centre managers with families. Shared accommodation was identified as having strong potential to meet the needs of staff in training who would benefit from low housing costs and a social environment. Build to rent was also identified as being beneficial to ensure there are high quality homes available that meet the needs of those that prefer to rent, while making it easy for others to move to the garden town.

Supporting and Growing the Economy

- 1.9 While the addition of all of the homes will be beneficial to the local economy, a specific focus was placed on key housing gaps that may not typically be filled by the market. These were identified in two ways, first a survey of local businesses was conducted, which received 44 responses. Second, consideration was given to the types of industry that FHDC aims to attract to the district, identifying gaps that may deter these from locating to the area.
- 1.10 The survey identified that gaps include smaller, good quality homes, as well as shorter term accommodation. Smaller Build to Rent homes are therefore proposed to meet this need. Additional areas of need identified that may not be met by the market included live/work accommodation, and a small element of executive homes to ensure a mixed community.

Wider Affordable Need

- 1.11 Wider affordable housing need was then identified, which 'topped up' the overall level of affordable housing to reach 22%. A range of data sources and methods were used to arrive at a suitable mix, including Census data, Caci incomes data, the SHMA, housing waiting list data and a survey of Home Choice members.
- 1.12 A wide range of unit sizes and tenures were identified as needed to meet the diverse needs. A key gap was for intermediate homes, which there is a limited proportion of, due to worsening general affordability meaning households that once would have lived in market housing can no longer afford to do so. A larger proportion of intermediate homes than may be typical on smaller infill developments was also deemed appropriate given the fact that Otterpool Park will be a place in itself and a mixed and balanced community is a key target.
- 1.13 The SHMA unit mix was used to arrive at the mix of home sizes, with an element of smaller homes also included to provide homes for hidden households to reduce overcrowding. Step down accommodation to meet NHS needs and elderly care accommodation was also identified as important.

Market Need

- 1.14 Market housing was the final segment, which then topped up the overall level of housing to arrive at 10,000 homes. The mix for this segment was arrived at through consideration of socioeconomic data,

comparable schemes, and broader considerations. Key priorities that emerged from this segment included a range of smaller homes for first time buyers, well managed homes to rent, as well as the potential for self-build homes.

Proposed Housing Mix and Parameters.

1.15 The housing mixes that meet the needs of each segment are set out in a table at the end of each report section. These mixes are then combined into an overall mix in table 9.1 of the main report. Parameters are needed in the planning application to allow flexibility for the scheme to respond to changes in housing need over the length of the project. There is also the need to factor in planning policy requirements. The result of this is the proposed parameters which are set out below. There will also be an overall minimum requirement for 22% affordable / intermediate housing.

Table 1.1 – Tenure Mix

Tenure	Type	Minimum Parameter	Maximum Parameter
Affordable Rent	Affordable	10%	15%
Affordable Elderly	Affordable		5%
NHS Step Down	Affordable		1%
Intermediate Elderly	Intermediate	8%	15%
Intermediate Rent	Intermediate		
Shared Ownership	Intermediate		
First Homes	Intermediate		
Live / Work	Intermediate	0%	2%

Note – Elderly could take the form of C2 or C3 accommodation

Table 1.2 – Bedroom Mix

Tenure	Max 1 Beds	Min 3 Bed or larger
Affordable Rent	15%	60%
Affordable Elderly	100%	-
NHS Step Down	100%	-
Intermediate Elderly	100%	-
Intermediate Rent	30%	45%
Shared Ownership	25%	55%
First Homes	25%	55%
Live / Work	25%	-
Market Elderly	75%	-
CLT / Self Build	-	55%
Sharer	100%	-
Build to Rent	25%	30%
Market Sale	25%	50%

Delivery

1.16 Key delivery considerations are also identified, alongside proposed controls to ensure that the Garden Town is successfully delivered. These include specific points such as all homes being built to space standards, as well as broader considerations such as a requirement to explore the potential for community led housing. These requirements will be secured in the permission and strike a balance between restriction and flexibility, ensuring that the Garden Town vision is delivered as intended.

Key Benefits

1.17 Otterpool Park will bring a wide range of benefits that will exceed those that would be delivered by a typical market scheme. Key benefits that will be delivered include:

- Up to 8,500 homes delivered in the Otterpool Park Outline Planning Application (OPA) (up to 10,000 homes to be delivered as part of the wider allocation) in a well-connected location, 22% of which will be affordable.
- A broad overall mix of homes that encourages a diverse community, and allows people to remain in Otterpool through all stages of their life. The Community Development and Facilities Strategy sets out the wider provisions that will meet the needs of a wide range of residents.
- Homes that specifically meet the needs of local people, with a proportion prioritised for those in the immediate area.
- Homes that meet the needs of keyworkers and those that work in local businesses
- A diverse range of affordable homes, to ensure anyone whose needs are not met by the market is able to live in Otterpool.
- A broad range of market homes, including types that private developers may not typically deliver.
- Homes designed for elderly residents, including smaller homes and homes with care options.
- The potential for innovative housing options such as community led housing and self-build.
- A commitment to review housing needs across the lifetime of the project, to ensure the garden town responds to changes.
- A focus on sustainability and delivering homes that meet changing needs, such as an increase in home working.

Conclusion

1.18 The proposed parameters and diverse mix reflect the significant work and engagement that has taken place. The mix is significantly more diverse than a typical scheme and meets nuanced elements of need that would normally be missed. The proposed delivery controls will ensure that the completed Garden Town matches the current ambition, while allowing sufficient flexibility to adapt to changes in need over the lifetime of the scheme. Overall, the proposed housing mix should be seen as a key strength

of the Garden Town and one that will bring benefits to local residents, their families, businesses and the wider area.

2 Introduction

Purpose

2.1 The purpose of this document is to set out the housing strategy for Otterpool Park and the approach taken to developing this. The document builds on the initial Housing Strategy prepared by Arcadis in February 2019, expanding on topics that Folkestone and Hythe District Council's (FHDC) planning team identified as needing additional information. A robust housing strategy is important to ensuring that the benefits of the garden town are shared. Key to this shared benefit is ensuring the housing mix responds to the needs of various groups including existing local residents, the wider area, the future community and local businesses. Considering these groups will ensure that homes meet local need and support the economy, leading to a vibrant future for the Garden Town and surrounding area.

Challenges and Objectives

2.2 All Garden Towns are unique and there is no one size fits all approach to developing a housing strategy. Considering the context of Otterpool Park, the following key issues were identified in conjunction with the Council at the start of Quod's commission:

- Responding to comments received on the initial application, particularly ensuring local needs are met.
- Ensuring a proportion of the homes are aligned to specific needs within the local wards, so that those impacted most by the development will directly benefit from it.
- Linking the Housing Strategy to other priorities such as economic growth strategies, inward investment targets and public services delivery, ensuring that the homes provided support these objectives.
- Considering the Council's Core Strategy Review (now adopted), the Strategic Housing Market Assessment and separately the Council's own direct housing delivery plans.
- Ensuring the approach responds to emerging national priorities (for example the revised form of First Homes and the care needs of an ageing population) and new innovative products, whilst being flexible to change over the life of the scheme.
- Creating a new community which is socially and economically sustainable in the long term, avoiding mistakes such as those made by some of the New Towns. The mix of housing types and tenures will need to demonstrably support the creation of a sustainable community.

2.3 Having considered the challenges, the following outputs were agreed upon:

- A review of different segments of need, with clear links made between these needs and the proposed housing mix.
- A detailed, evidence-based target mix and set of application parameters for the mix of housing tenures and types, building on the broad parameters set out within the original application documents.

- A strategy that sets out how the proposals, and required flexibility, will be delivered. The strategy will also detail how the proposals will be controlled and monitored within the future Section 106 agreement.

Structure of Document

2.4 The remainder of this document is structured to broadly reflect the process that the project team followed in developing the housing strategy and arriving at the agreed outputs. Firstly, **Section 3** sets out the method used to identify housing need, which included consideration of planning policy and guidance. The following chapters then look at different segments of housing need, setting out the research that has been conducted and the identified need that should be accommodated in the housing mix.

- **Section 4** sets out the requirements of the wards local to the site based on the Local Housing Needs Survey results.
- **Section 5** identifies keyworker demand based on the forecast requirements for teachers, nurses and other keyworker jobs that will be required to meet the needs of the c.10,000 new households.
- **Section 6** notes the types of home that would support businesses and local economic growth, supported through consultation with the business stakeholders.
- **Section 7** considers wider local and regional need, which is informed by the SHMA and analysis of socioeconomic data.
- **Section 8** reviews supply and demand for market housing, particularly where the unit mix could be diversified to better meet the needs of those able to buy a home on the open market.

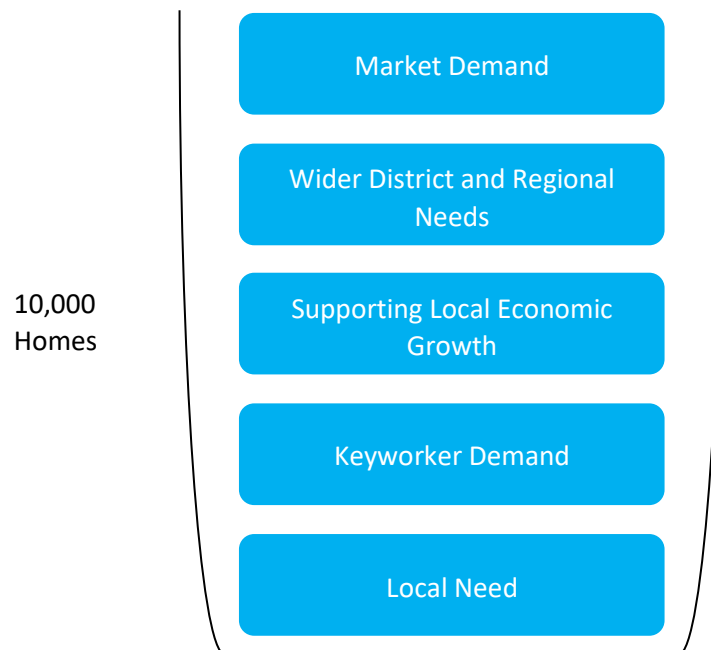
2.5 **Section 9** combines the outputs of the previous five sections to arrive at an overall housing mix for the Garden Town. Application parameters are then set out. **Section 10** then notes considerations made concerning delivering the housing mix, including points which would need be secured in a Section 106 agreement.

3 Method used to Identify Housing Need

Overall Approach

3.1 The approach used to identify the housing mix has been designed to prioritise the supply of homes that benefit local people and ensure the sustainability of the Garden Town. The Garden Town is anticipated to have an overall capacity for c.10,000 homes. Whilst the application includes only 8,500 homes it is felt prudent to ensure that the Housing Strategy supports a sustainable community of the full 10,000 homes if these are delivered. The Housing Strategy therefore analyses the potential for c.10,000 homes but ensures that the first 8,500 of these are also sustainable as a standalone settlement if the additional homes are not constructed. For simplicity, the Housing Strategy generally refers to 10,000 homes, aside from in any instances where the 8,500 home level would not require a pro-rata mix (i.e. if the need for 8,500 homes would not be 85% of the total identified for 10,000 homes). The approach is based on the principle of assuming that there is ultimate capacity for up to 10,000 homes, then 'filling up' this space with different segments of need in order of priority. Figure 3.1 illustrates the approach and identified segments.

Figure 3.1 'Filling Up' Housing Capacity



3.2 The different need segments were identified having considered the key stakeholder groups that exist, as well as suitable scales of analysis and data availability. The approach to identifying the housing need for each segment is set out at the start of the relevant section. While there is crossover and inevitable tensions between the groups, the chosen approach minimises the risk of key needs being missed. Once the overall need is identified in Section 9, a balancing process is then conducted to ensure that the overall parameters are reasonable and viable.

Policy and Guidance Considerations

3.3 Planning policy and guidance were considered in the development of the approach, as the housing mix needs to comply with policy to be deliverable. A non-deliverable mix would fail to deliver benefits and delay the homes that people require. Relevant guidance from national policy, guidance and garden town guidance are set out below.

National Planning Policy Framework

- 3.4 The National Planning Policy Framework 2021 (NPPF) provides the Government’s housing policy objectives for England. The NPPF establishes that plans and decision taking should ensure delivery of a wide choice of high-quality homes for a range of needs for today and in the future (paragraph 8(b)).
- 3.5 In Section 5, delivering a sufficient supply of homes, the NPPF sets out that planning policies should reflect the needs of different groups in the community, considering factors including size, type and tenure. The NPPF identifies groups including:
- Those who require affordable housing
 - Families with children
 - Older people
 - Students
 - People with disabilities
 - Service families
 - Travellers
 - People who rent their homes
 - People wishing to commission and build their own homes.
- 3.6 Section 5 also notes the role that new settlements, such as Otterpool Garden Town, can play in meeting housing needs in a sustainable way. The NPPF notes key considerations including ensuring that a variety of homes meeting the needs of different community groups will be provided.
- 3.7 Section 6, building a strong competitive economy, notes that planning policies should seek to address potential barriers to investment, such as inadequate housing. It also notes the importance of planning policies being flexible enough to accommodate needs not anticipated in the plan, such as live-work accommodation for new and flexible working practices.
- 3.8 The NPPF notes that where major development involving the provision of housing is proposed, planning policies and decisions should expect at least 10% of the homes to be available for affordable home ownership (paragraph 65). It should be noted that the local policy position, set out below, requires less than this target.
- 3.9 In the glossary of the NPPF a definition of affordable housing is provided, including requirements for different tenures.

Planning Practice Guidance

- 3.10 The Planning Practice Guidance (PPG) contains guidance on the interpretation and implementation of national planning policy. Key issues that guidance is provided on include:
- Support for Build to Rent

- Homes for the elderly and disabled people
- Self-Build
- Housing to meet the need of different groups.

3.11 This Housing Strategy has considered this guidance in both its method for identifying need and some of the more innovative housing types that are proposed.

Garden Communities Prospectus

3.12 The DLUHC (formerly MHCLG) Garden Communities Prospectus (2018) notes the expectation that proposed Garden Communities will meet and / or go above local housing need. More specifically the Prospectus sets out an expectation that Garden communities will offer a wide range of high quality, distinctive homes, including affordable housing and a mix of tenures for all stages of life. This demonstrates the DLUHC expectation for Garden Towns to deliver innovative approaches to housing that go above meeting local housing need.

Local Policy

3.13 Local Policy is formed of the recently adopted Core Strategy Review (2022) and Places and Policies Local Plan (2020). Policy is supported by an evidence base that includes a Strategic Housing Market Assessment conducted in 2017. Key housing policies include:

- Policy requirement of at least 13,284 new homes (C2/C3) from 2019/20 to 2036/37 (SS2).
- c.5,600 homes to be delivered at the New Garden Settlement (SS6.1a) during the plan period, with potential future growth for future growth to provide a total of 8,000 to 10,000 homes.
- In addition to meeting the mix requirements identified in policy CSD2, Build to Rent homes should be provided to meet identified demand (SS6.1b).
- A minimum of 10 per cent of homes in each substantial phase shall be built to meet the needs of the elderly, from active retired people to those requiring intensive nursing care, including specialist C2 provision. (SS6.1f).
- Support for Self-Build homes (SS6.2)
- Within the early phases, development shall provide homes in neighbourhoods located in and around the town centre (Policy SS7(2)), well-connected to the centre by walking, cycling and public transport network. Close to the town centre there shall be a higher proportion of smaller residential units serving all age groups (SS6.1d).
- Additional neighbourhoods will be masterplanned in future phases in accordance with Policy SS7(3). All neighbourhoods will be expected to provide a mix of home typologies, with plots provided for custom-build and self-build development in accordance with Policy SS6(2); 22 per cent of all dwellings should be provided as affordable homes, subject to viability (SS6.1b).
- 22% affordable housing on sites proposing 15 or more homes, subject to viability (CSD1).

- An expectation for a broad range of tenures including: market, affordable homes for rent, starter homes, discount market sale, and other affordable routes to home ownership including rent to buy and shared ownership (CSD1).
- An affordable tenure mix with a starting point of 70% affordable for rent (CSD1).
- Affordable housing within sites should be integrated in function and appearance with market homes (CSD1).
- Residential development should meet the spatial strategy's approach to managing demographic and labour market changes, as well as the needs of specific groups (CSD2).
- A range of unit sizes should be provided, as a starting point the range should reflect the SHMA (CSD2).

3.14 Close regard has been paid to the policies, however it is recognised in policy SS6 that the Garden Town is not a normal scheme and will be a place in itself. Therefore, the mix should be focused on being appropriate for the new town rather than meeting the more general policy targets that are designed to serve unmet need in existing communities.

Folkestone and Hythe Healthier Housing Strategy 2018-2023

3.15 This document provides the long-term multi-agency vision for housing in the district. It identifies ongoing and new housing initiatives, including innovative options such as Community Led Housing and self-build. This document has helped identify where joint initiatives could be possible at Otterpool Garden Town.

Letwin Review

3.16 The 2018 Letwin review was an independent assessment of the barriers to house building, identifying ways to accelerate delivery to tackle the housing crisis. One of the key findings was the importance of having a range of property types on large sites, to better meet need and accelerate delivery.

Policy and Guidance Conclusions

3.17 The approach taken to creating the housing strategy has considered the expectations of policy and guidance. The key topics with implications for the Housing Strategy are highlighted below:

Flexibility - policy has the flexibility to allow for the delivery of alternative housing mixes where there is a demonstratable benefit. This allows for tailored solutions, particularly on large schemes that need careful consideration to bring the maximum benefit and enable a sustainable community. The approach to the housing strategy was therefore designed to be bespoke to Otterpool, rather than constrained by policies targeted at more standard developments.

Meeting Diverse Needs – at a national and local level there is an expectation that the needs of different groups will be met, including alternative needs and those explicitly mentioned in policy. The approach was therefore designed to consider all areas of need, rather than just those already identified in local policy. The NPPF requirement (at para. 65) for 10% of homes to be delivered for affordable home ownership is a key consideration.

Varied Quality Homes – national policy is clear that a wide range of quality homes should be provided. The housing strategy therefore aims to provide a diverse mix of both affordable and private homes that will ensure a sustainable community.

Look to the Future – having foresight and meeting future need as well as current need is noted as important in national policy. The housing strategy therefore considers the needs of future residents and future trends.

Sustainability – ensuring a sustainable community is a key policy focus and will determine the success of Otterpool Park. The strategy therefore ensures homes are provided for those in key roles supporting the development, as well as sense checking the mix to ensure a sustainable mix of homes are provided.

Enabling a Competitive Economy – a competitive economy will provide careers for residents and in turn, residents will support the economy. It is therefore important to deliver the types of homes which workers important to key industries want and need.

Housing for All Stages of Life – communities are greatly enhanced by long term residents and it has been identified as important to allow people to live in Otterpool Park for their lifetime if they wish. The strategy ensures that homes are for people at all stages of life, from sharing with friends, to having a family and getting older. A key policy consideration is that all phases should have 10% homes to meet the needs of elderly residents, including C2 accommodation, in line with Policy SS6.

3.18 The overarching message for the garden town from policy is the flexibility to do something different and deliver a superior offer to a typical scheme, recognising the scale of the Garden Town and its status as a new place. The next five sections (4-8) in turn consider and identify the needs of:

- residents that live close to the site of the Proposed Development
- keyworkers such as teachers, nurses and other jobs that will be required to meet the needs of residents
- businesses and local economic growth, supported through consultation with the business stakeholders.
- households from the wider local areas and region that cannot access market housing
- households in need of market homes

3.19 Section 9 then combines the outputs of the previous five sections to arrive at an overall housing mix for the Garden Town, with Section 10 noting how this will be secured and delivered.

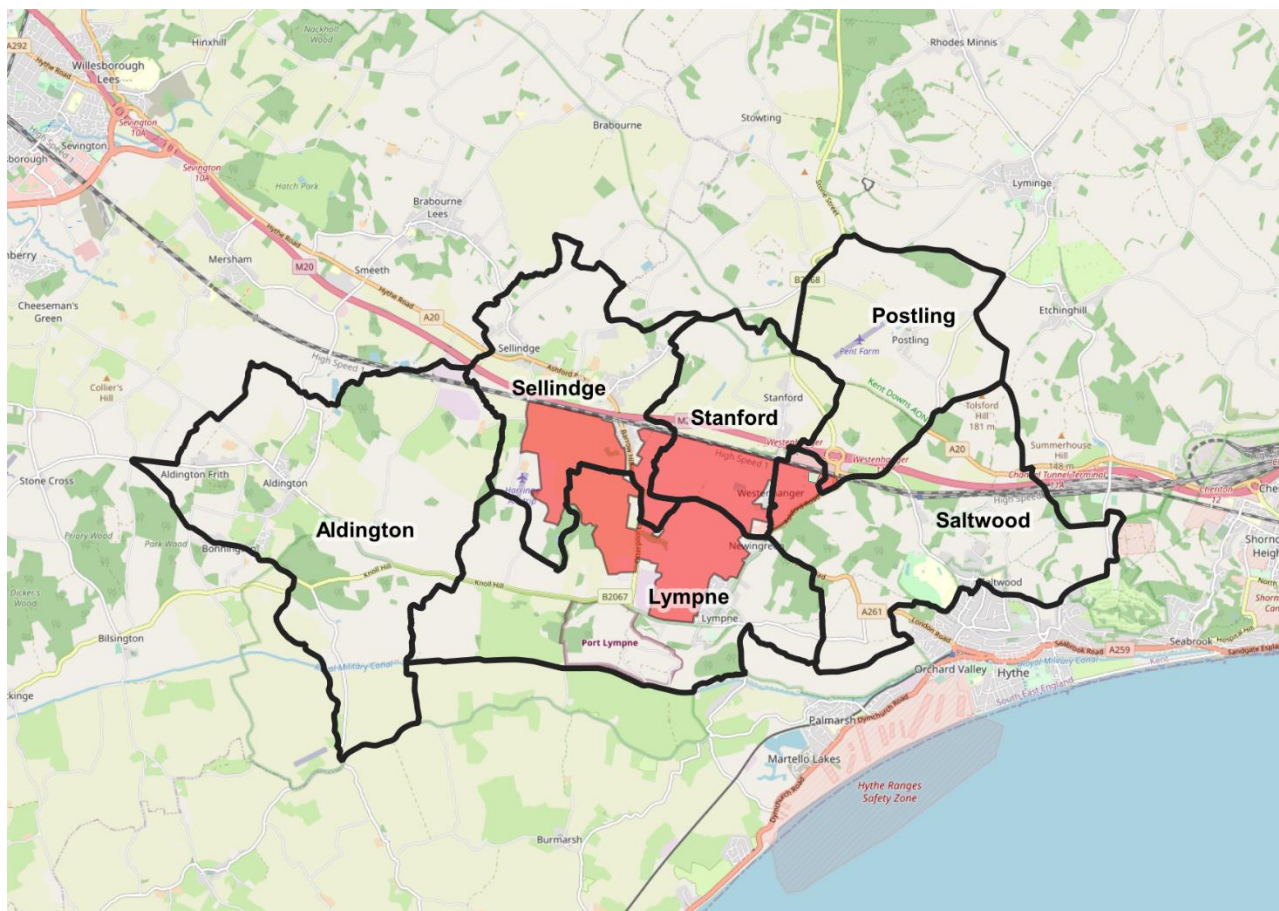
4 Need - Local Need

- 4.1 Local need was identified as an important segment that will ensure those most affected by the development will share in its benefits. It is also recognised as important for encouraging integration between the Garden Town and the existing surrounding community, as families and friends can find homes that meet their needs while remaining geographically close.
- 4.2 A doorstep survey was chosen as the best way to assess local needs, ensuring that the project team could hear from a large sample of those nearby. This section first sets out the method. Secondly it provides analysis of the results. Thirdly the conclusions are set out, followed by the recommended housing mix.

Survey Method

- 4.3 The doorstep survey was selected as this balanced the requirement for a large sample size, with obtaining more detailed responses on certain topics. The method also ensured the veracity of survey responses. The survey targeted households from six parishes local to Otterpool Park, which are identified in figure 4.1.
- 4.4 The survey was conducted by Opinion Research Services (ORS) on behalf of the council. ORS has wide experience of conducting similar surveys and ensured that the survey returned the most informative results possible.

Figure 4.1 - Survey Wards and Development Site (in Red)



- 4.5 The broad approach to developing and conducting the survey in early 2020 was as follows:
- Suitable survey questions developed by Quod, ORS and FHDC.
 - Strategy for handling of personal data in line with the GDPR developed and verified by each organisation.
 - Pre-alert letter issued publicly and key contacts such as public services notified of when the survey would take place.
 - Main occupier of each household interviewed.
- 4.6 The survey will be repeated periodically throughout the development of Otterpool Park to ensure that changing needs are addressed.
- 4.7 Despite the survey being cut short due to the COVID-19 crisis, in the three weeks available 513 interviews were conducted out of 2,737 households in the area, ensuring a representative sample of participants. The responses included a good distribution across the geographic area and different demographic groups.

Profile of Respondents

- 4.8 This section of the report outlines the profile of all the households who responded to the Housing Needs Survey. Face to face interviews were carried out in the parishes of Aldington, Lymgne, Postling, Saltwood, Sellindge and Stanford. The breakdown by parish of the 513 responses is outlined in table 3.1 below.

Table 4.1 – Breakdown of Respondents by Parish

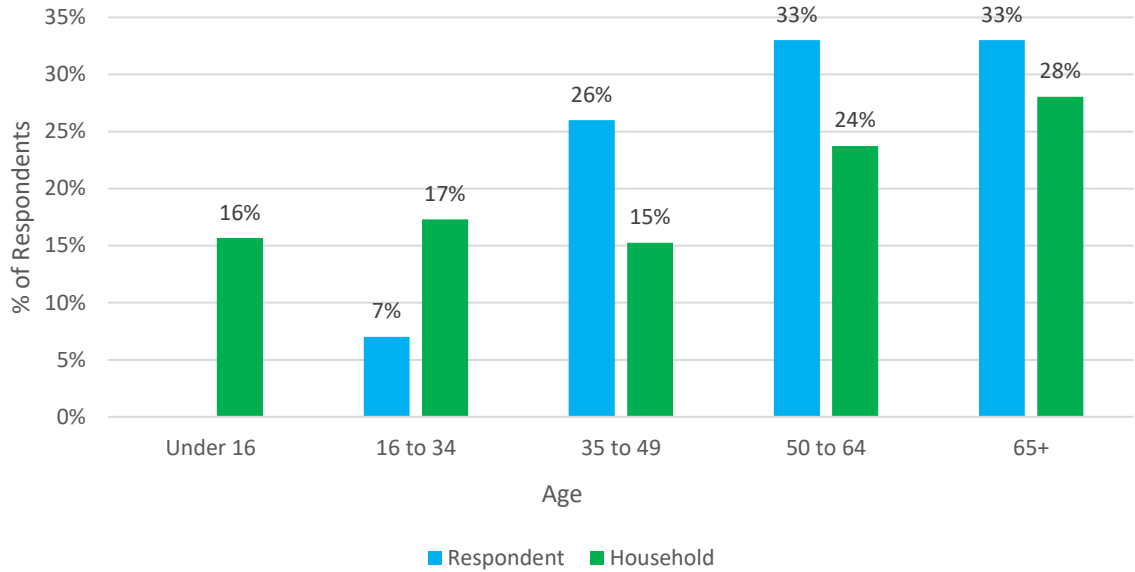
Parish	No. of Residents
Aldington	105
Lymgne	125
Postling	13
Saltwood	83
Sellindge	139
Stanford	48
Total	513

Age Profile

- 4.9 Figure 4.2 below identifies the age profile of the individual responding to the survey. A significant proportion of the respondents were aged over 50 (66%), this reduces to 52% when all household members are considered.
- 4.10 There is a significantly higher proportion of 16-34 years olds reported as being household members than there are respondents. This highlights that there may be a large proportion of emerging

households; younger people that are currently living at home but will want to move out in the near future.

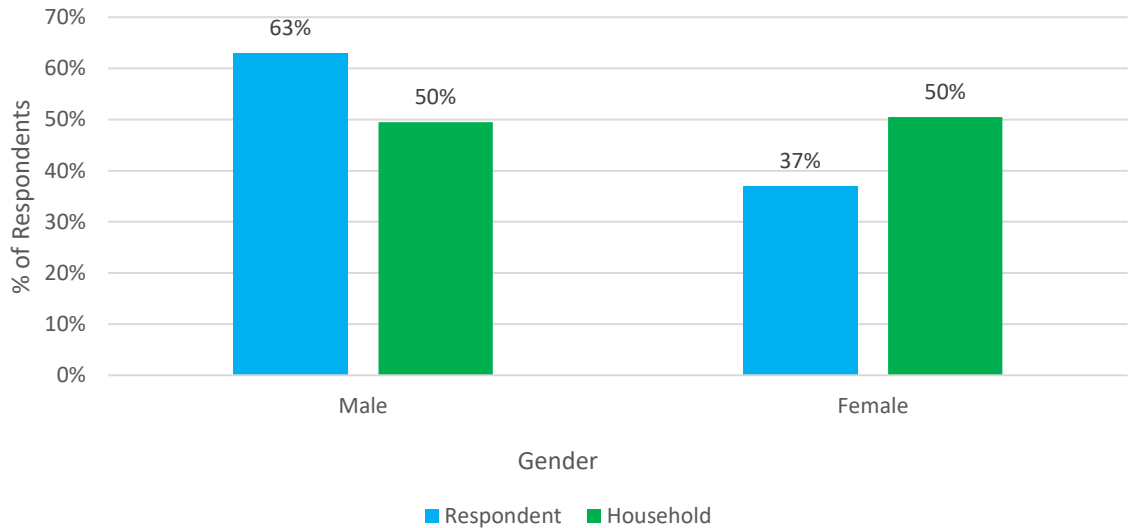
Figure 4.2 – Age



Gender Analysis

4.11 Figure 4.3 below identifies the split of male and female respondents. Of all the people who responded to the survey 59% were male, the overall makeup of households is 50:50 which is close to what would be expected for a sample this large.

Figure 4.3 – Gender Analysis



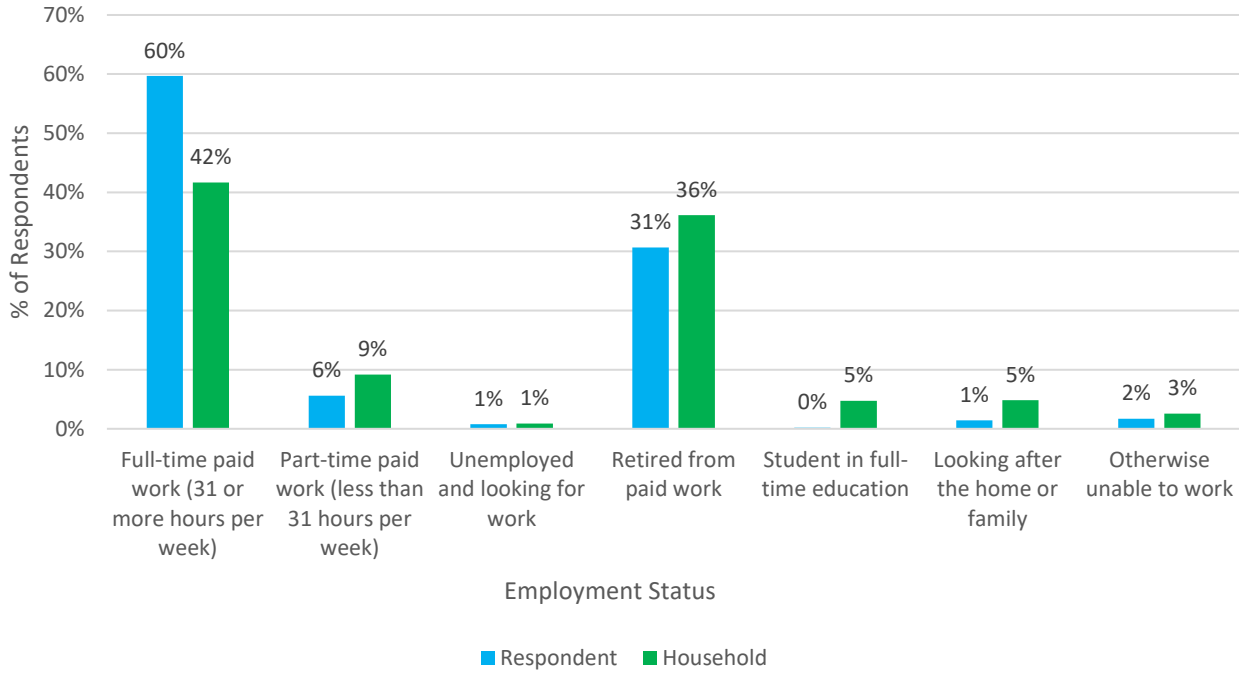
Working Status

4.12 Figure 4.4 below outlines the working status of the respondents. A significant proportion of the respondents were retired from paid work (31%), however the majority were in full time employment

(60%). When the overall household is considered the number of people working part time or being retired increases.

4.13 While the number of students appears low compared to the number of under 16's in the household, respondents may have not given an answer to the employment questions for these individuals.

Figure 4.4 – Working Status



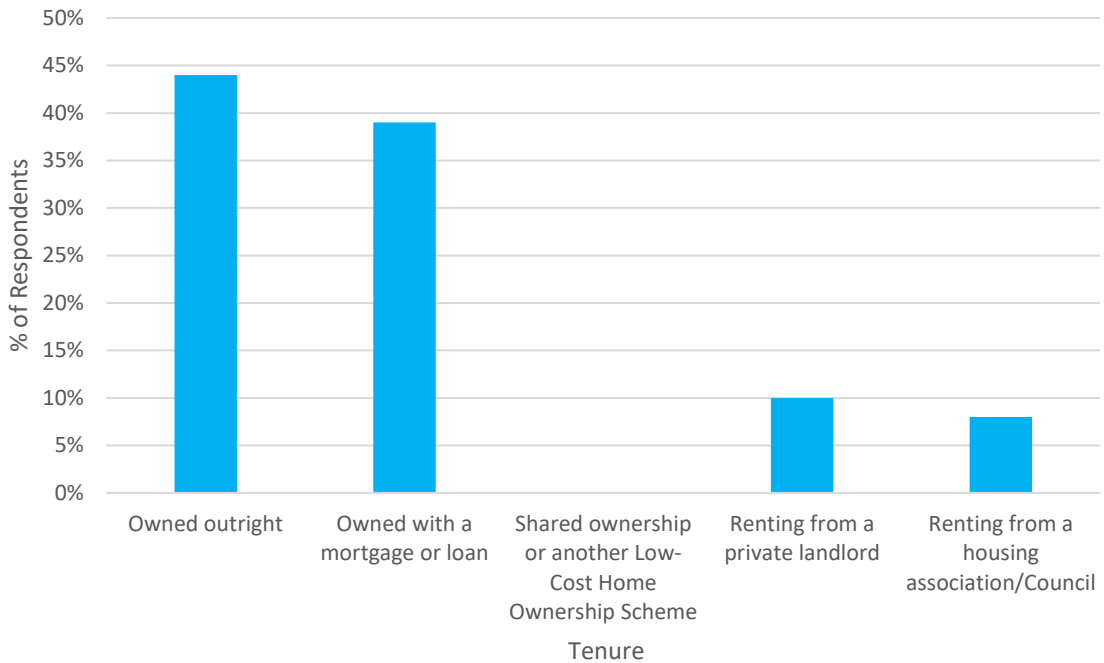
Current Housing Stock

4.14 This section of the report identifies the existing housing stock of the six Parishes, including all households that took part in the housing needs survey.

Ownership / Rented

4.15 Figure 4.5 below breaks down the current housing position of the residents who responded to the survey. The majority of the respondents were owner occupiers (83%), however a significant proportion currently rent from a private landlord (10%) or from a housing association / Council (8%).

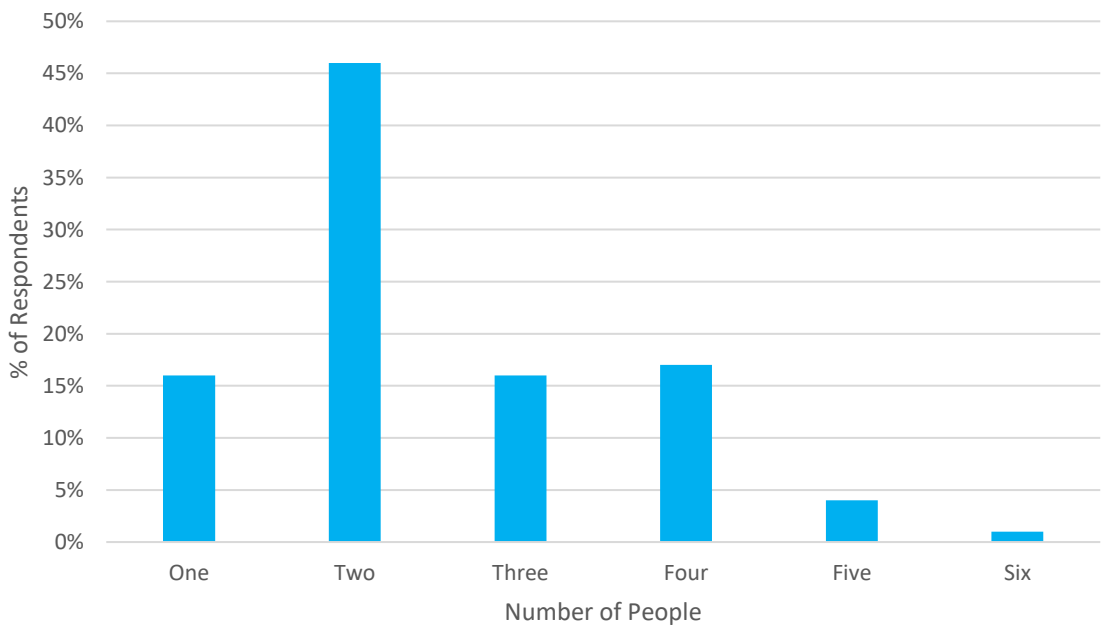
Figure 4.5 – How Respondents Occupy their Home



Tenure / Unit Type

4.16 Figure 4.6 identifies the number of people that live in the home of each respondent. The results show that 46% of the households contain two people and 38% of the households contain three or more people. The more detailed data also shows that residents who have lived in the area for 10+ years are more likely to live with 1 or 2 people (i.e. singles/couples), whereas newer residents are more likely to live with 3+ people (generally families).

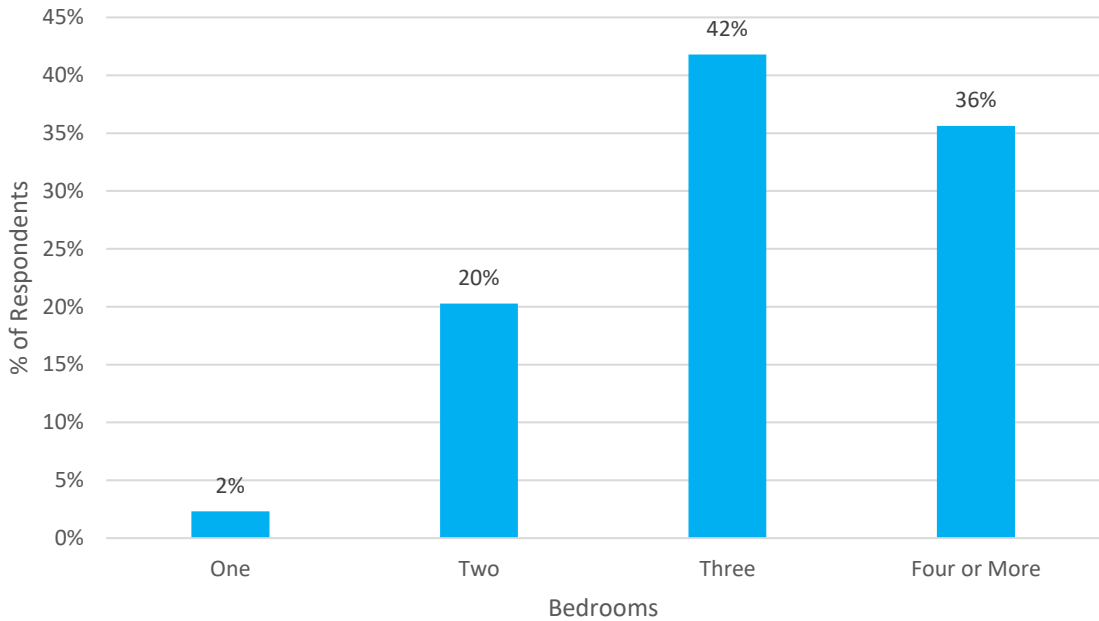
Figure 4.6 – Number of People Living in Each Household



4.17 Figure 4.7 identifies the proportion of different home sizes among the respondents. The largest proportion of people live in 3-bedroom homes (42%). The large proportion of residents living with 1

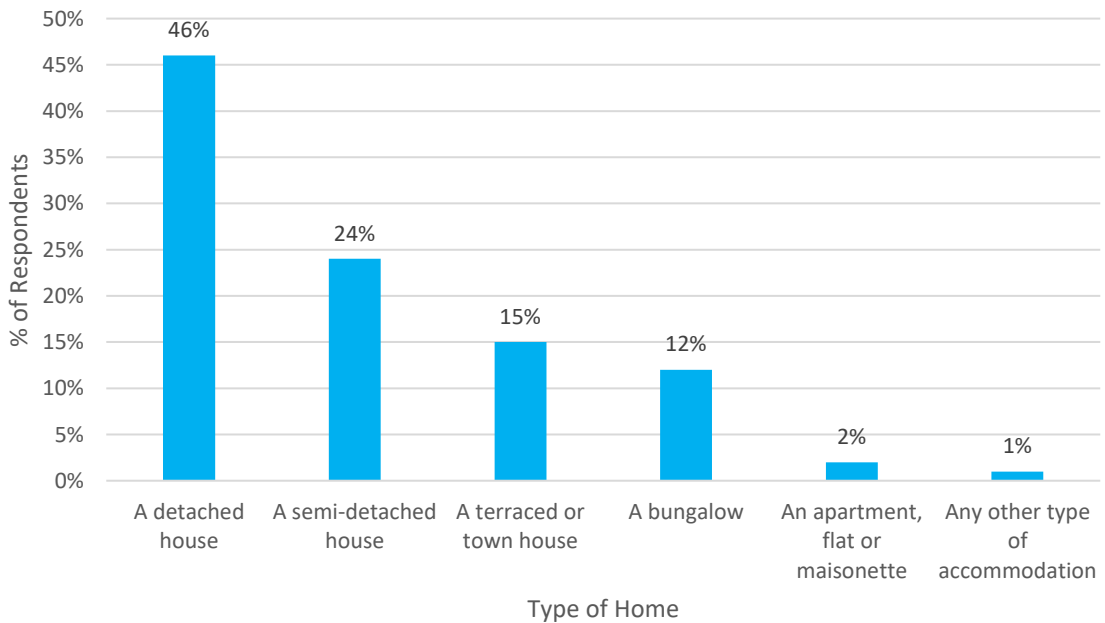
or 2 people (62%) and the significant number of 3 and 4+ bedroom homes (77%) suggests a level of under-occupancy. This indicates some households may want an option to downsize in the future.

Figure 4.7 – Number of bedrooms in each home



4.18 Figure 4.8 below outlines the overall type of housing that the respondents live in. The more detailed survey data also identifies that 16% of families are renting from a private landlord.

Figure 4.8 – Type of accommodation



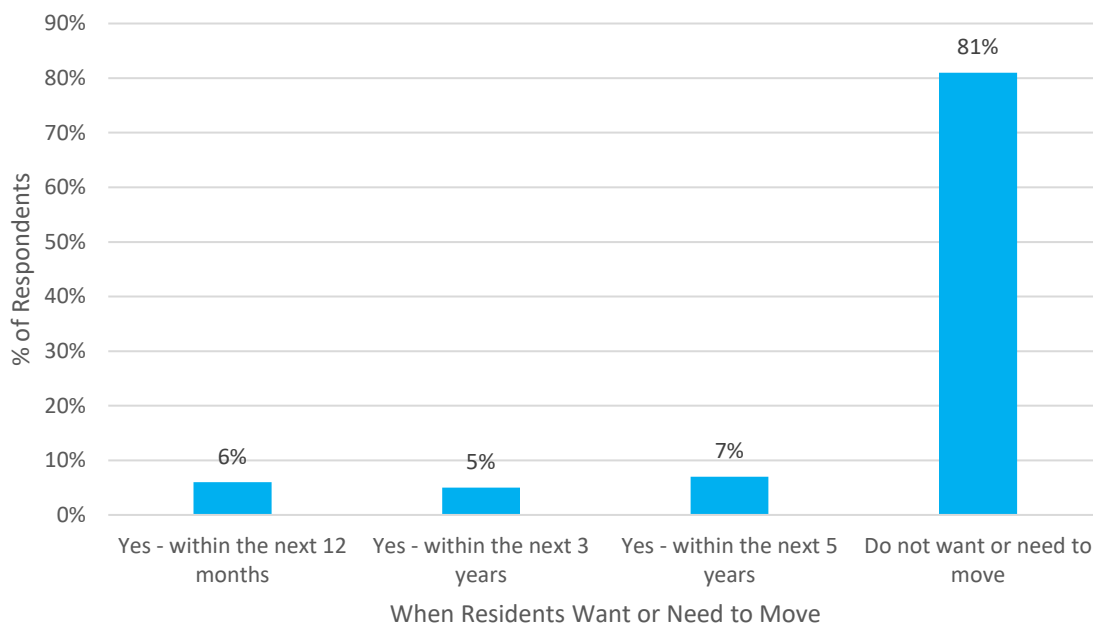
Overall Housing Need

- 4.19 This section of the report draws out how many people want / need to move to a new house and identifies specific housing needs within the six Parishes. The results include all respondents that expressed a need or desire to move to a new house to gain a full picture of the needs of current residents.
- 4.20 The Housing Needs Survey identified that c.95 people (c.19%) want or need to move to a new house. This is within a typical range in an area that is characterised by high levels of home ownership.

How many residents want to move from their current home?

- 4.21 Figure 4.9 below identifies the proportion of residents who want to move from their current home. The survey suggests that 19% of households want / need to move from their current home within the next 5 years.

Figure 4.9 – Residents who want to move from current home

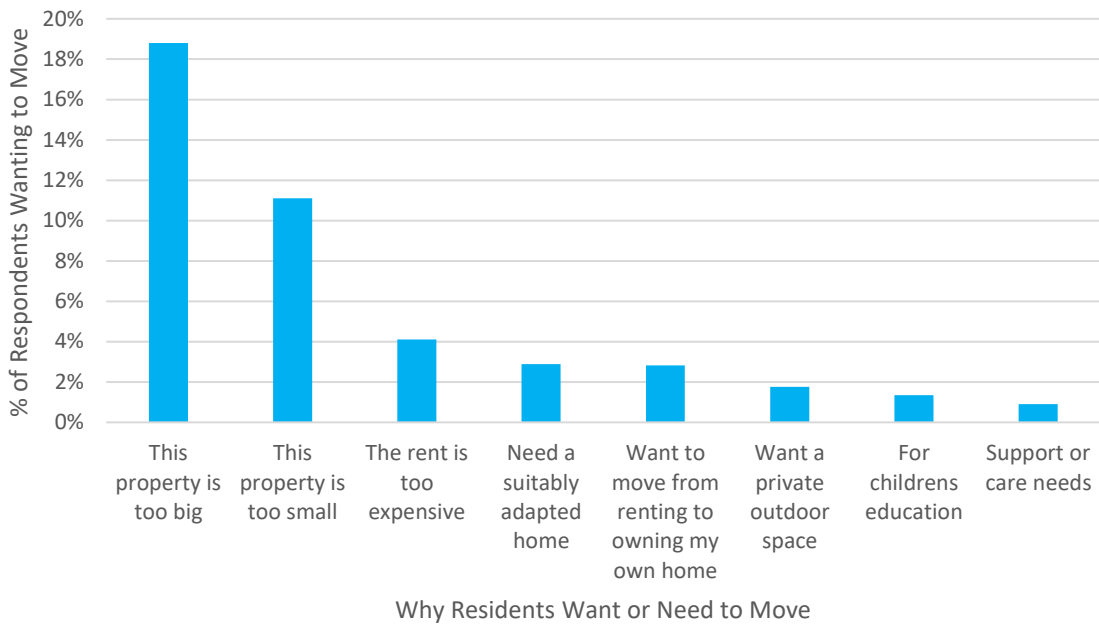


- 4.22 Whilst the overall proportion of households who wish/need to move is within the normal range, the more detailed data shows that there are variations between the different household types. A higher proportion of couples with dependent children (26%) wish to move from their current home within the next 5 years, suggesting they are looking for larger homes. Meanwhile a lower than average proportion of retired and owner occupier households wish to move.

Why do residents need to move?

- 4.23 Figure 4.10 below outlines the different reasons that residents need to move. The extracted data focuses on residents who want to move because they need something different in terms of housing, rather than because of location factors.
- 4.24 Of the portion of residents that wanted to move for location reasons, 19% of these needed to move to be nearer family or work, 9% wanted to move because of other location factors and 16% wanted to move because of Otterpool Park.

Figure 4.10 – Why do residents need to move?



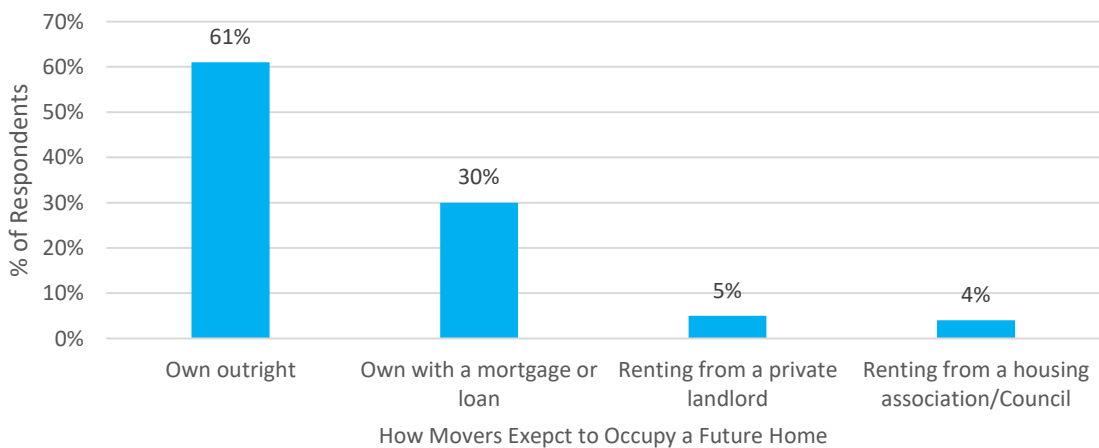
4.25 The data evidences that 30% of residents who want to move are unhappy with the current size of their home, identifying that their property is either too small or too big. It is evident that there is a need to provide a variety of additional family homes to meet the needs of existing residents.

4.26 More specifically 27% of those with 4+ bedrooms stated that it was too big and 5% stated it was too small. This highlights that while many movers want to downsize, there is still demand for larger homes. At the other end of the scale 12% of residents with up to a two bed home said it was too large, identifying a need for 1 bed homes to be included in the mix.

How do people expect to occupy their next home?

4.27 It is clear that the majority of respondents expect to purchase their next home outright (61%). There is however still a significant proportion of residents (30%) who expect to own with a mortgage. These households may benefit from discounted market sale products, particularly if the ‘Help to Buy’ scheme winds down.

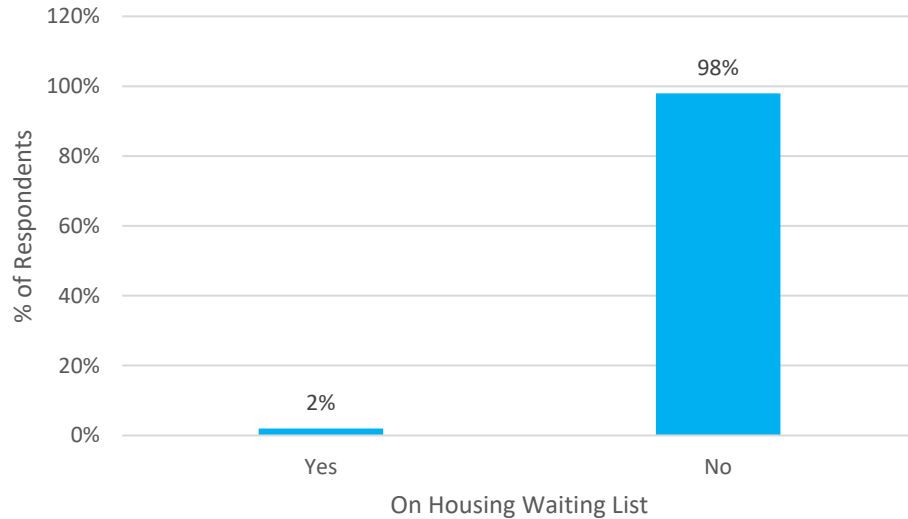
Figure 4.11 – How do people expect to occupy their next home?



Number of people on the housing waiting list

- 4.28 The survey identified that 2% of the respondents are currently on the Local Authority's housing waiting list, therefore seeking and qualifying for some form of affordable housing.

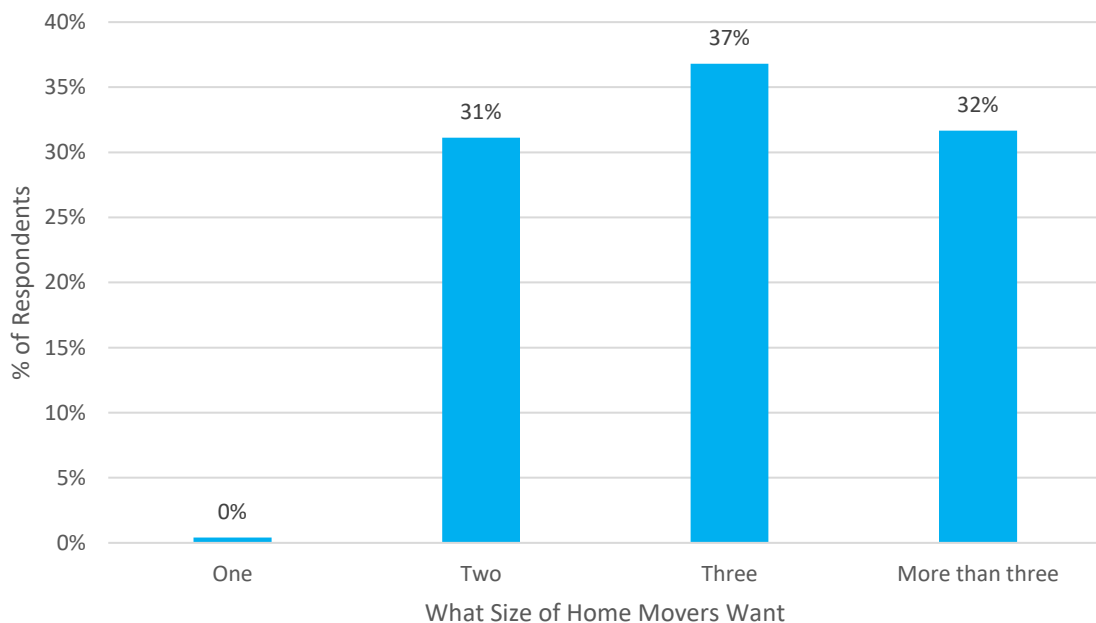
Figure 4.12 – Housing Waiting List



Housing / Unit Type

- 4.29 Figure 4.13 below identifies the number of bedrooms that respondents want in their next home. The detailed data identifies that a greater proportion of householders where the respondent was 65 or over would like a smaller 2 bed home, and a greater proportion of working households would like a home that has 3 or more bedrooms. This suggests that the former may be looking to downsize and the latter may be looking for a family home.

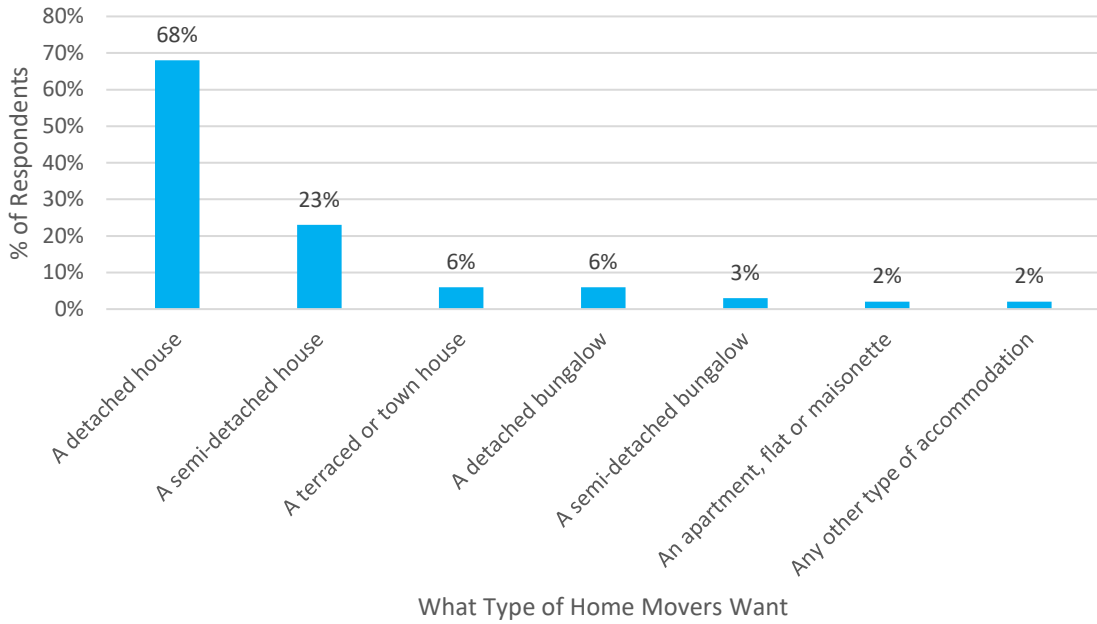
Figure 4.13 – Bedroom / Unit Mix Requirement



4.30 Figure 4.14 outlines the preferred housing type for each respondent. The data identifies that 63% of the respondents and 80% of families want to move into a detached house. There was limited demand for flats, although households made of couples had a higher demand for an apartment, flat or maisonette (20%).

4.31 It is important to recognise that owning a detached property is a widely held aspiration but does come at a greater cost. Therefore, affordability will need to be considered alongside what people wish for to ensure that the housing mix delivers homes that local people can afford.

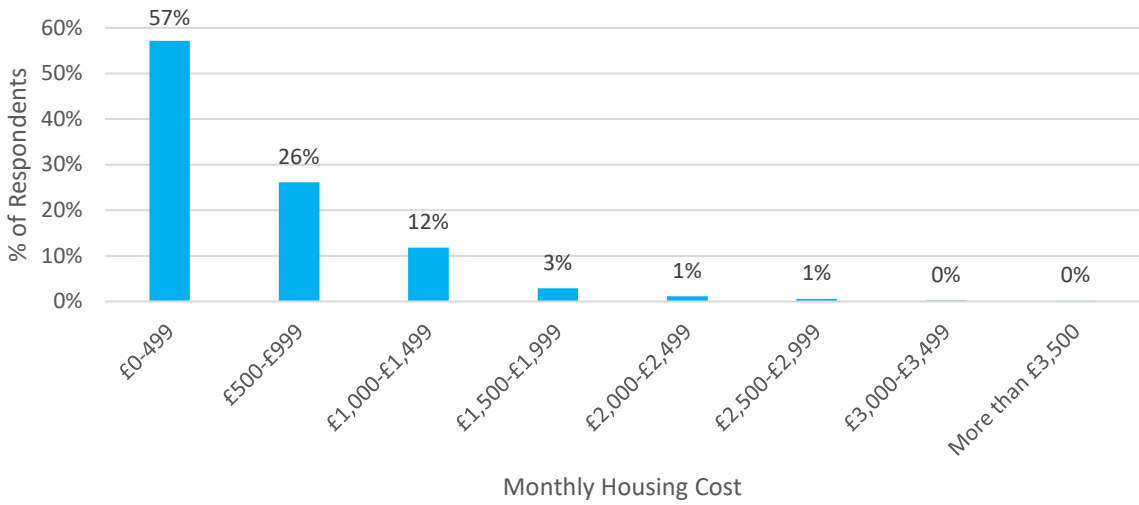
Figure 4.14 – Housing Type Requirement



Household Affordability

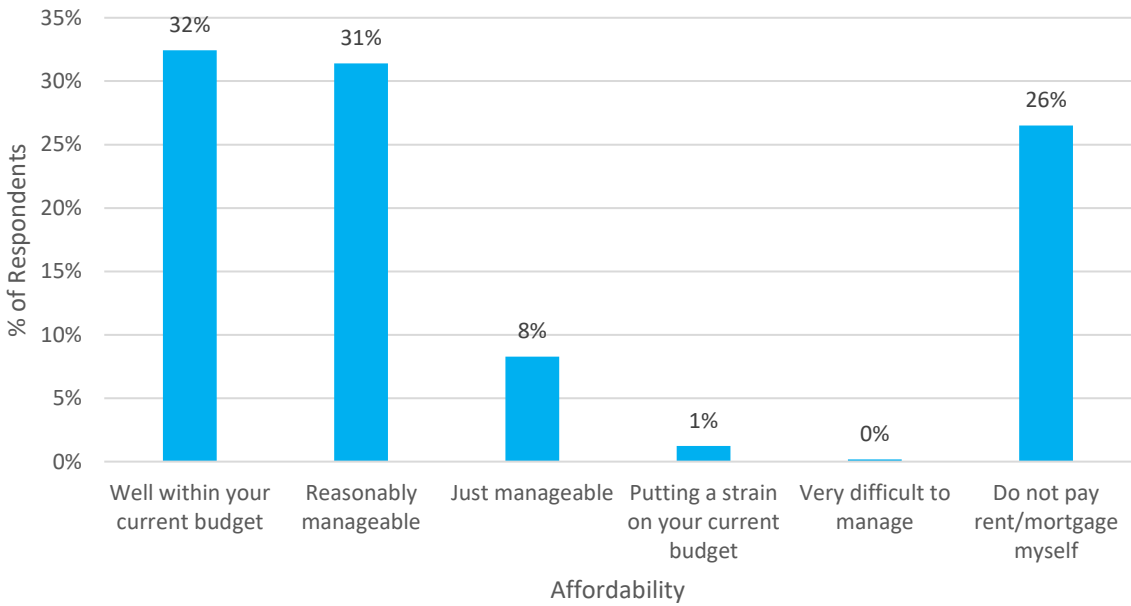
4.32 This section will look at the affordability constraints of the local respondents. Figure 5.7 below identifies how much money per month residents spend on housing costs (rent, mortgage repayments or service charges). 57% of people spend between £0 and £500, while 41% of people spend between £500 and £2,000.

Figure 4.15 – Monthly Housing Costs



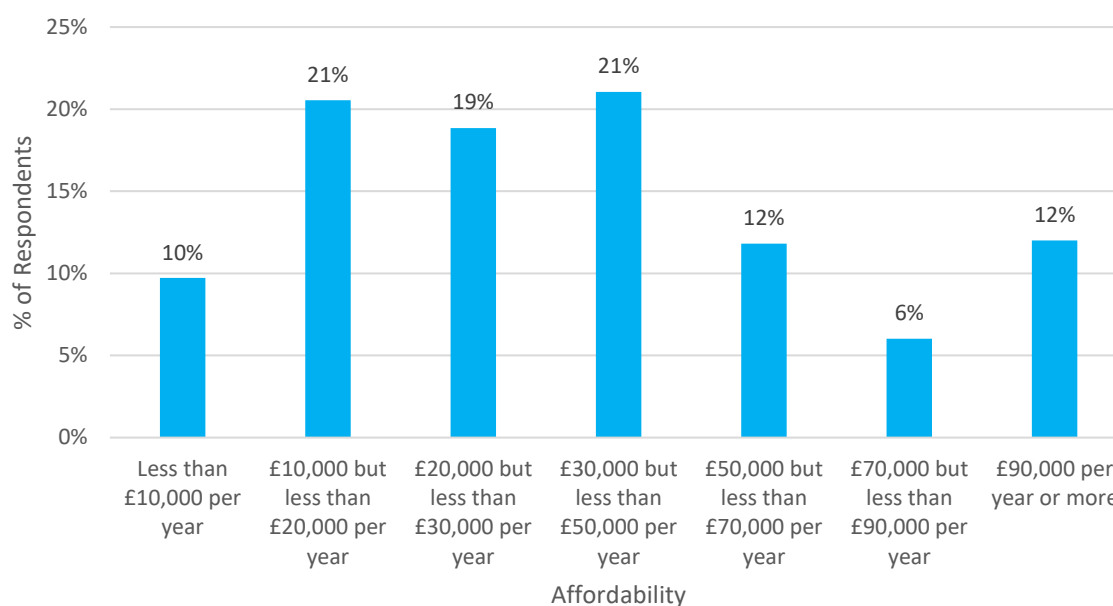
4.33 Figure 4.16 below outlines the difficulty with which residents pay their monthly housing costs. A significant proportion ‘just manage’ to pay their housing costs (8%) and the majority state costs are ‘reasonably manageable’ (31%) or ‘well within current budget’ (32%). The affordability issue is particularly prominent in the rented / affordable rented sector where 30% of residents state they are just managing to pay housing costs or it is putting a strain on their budget.

Figure 4.16 – Housing Costs Affordability



4.34 Figure 4.17 below outlines the gross household income of the respondents.

Figure 4.17 – Gross Household Income



4.35 50% of households have an income of less than £30,000, which would typically make home ownership challenging. This contrasts with the majority of respondents wanting a medium sized home that they expect to buy on the open market. This can partly be explained by the large number of downsizers that will be cash buyers, as well as emerging households with gifted deposits.

4.36 It is still important to consider that some households may be overestimating their purchasing power and may be in need of intermediate housing options. For example, the detailed survey data that 38% of families have incomes of between £30,000 and £70,000 per year. These households will likely need a larger home, that may be beyond their budget, therefore intermediate home ownership options such as Shared Ownership will be important to meeting this need.

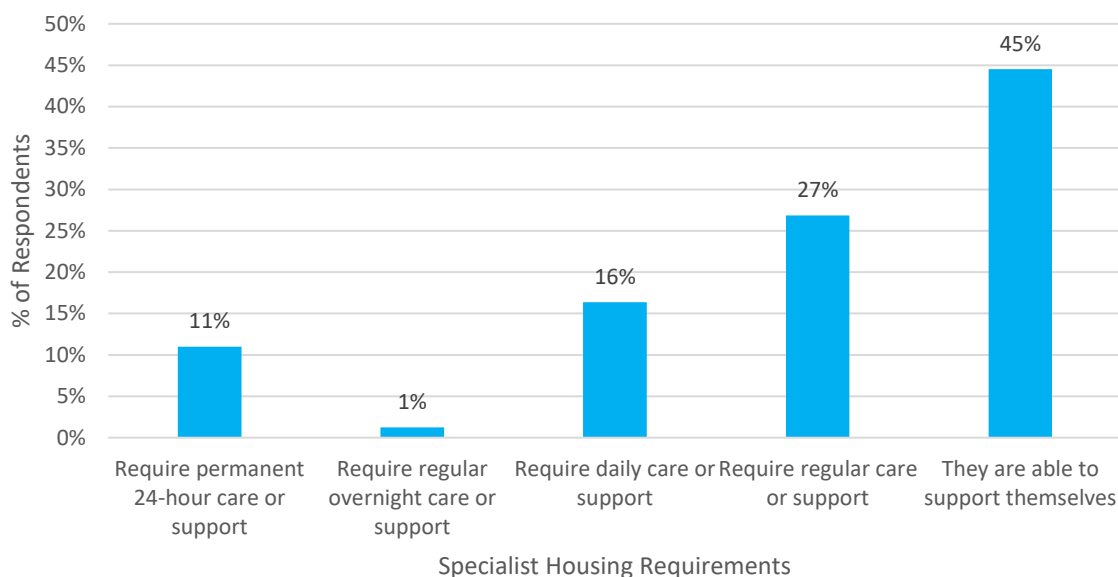
4.37 It also identified that 78% of respondents living in private rented / affordable rented housing earn less than £30,000 per year.

Specialist Housing

4.38 The Housing Needs Survey identified that 23% of respondents (17% of respondents that want to move) have someone living in their household that suffers from life limiting health problems such as: long term illness, disability or infirmity. Figure 4.18 below outlines the level of support that is required for each respondent. Of the 23%, c.55% of respondents required varying levels of regular care or support.

4.39 63% of those requiring care or support described themselves as retired. This suggests that many of these respondents will need housing adapted for older persons, albeit in line with the general profile of all households most do not currently wish to move.

Figure 4.18 – Level of Support Required

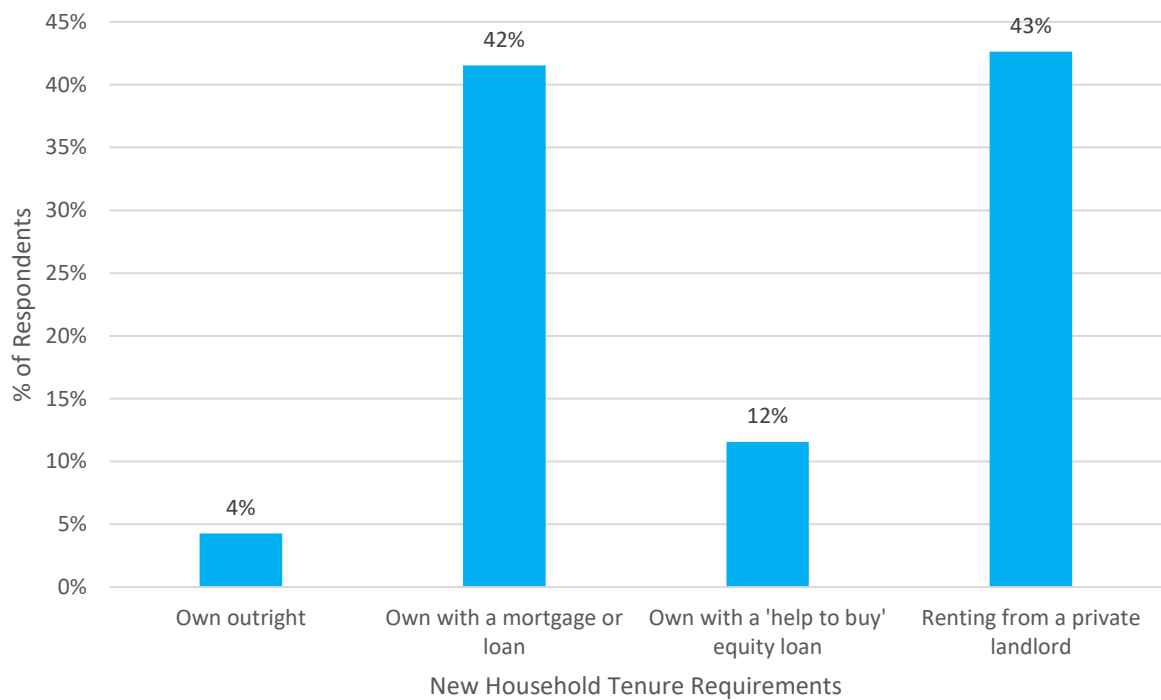


4.40 Whilst it is not clear from the survey, experience elsewhere is that older persons and those with health problems often do not consider moving as specialist homes are either not available or unattractive. Otterpool Park will be delivering a range of private and affordable homes adapted for those with mobility issues. In addition, older persons' homes are anticipated, with a range of support levels. Given the relatively high potential need it may therefore be appropriate for a proportion of these homes to be included within the local allocations scheme, ensuring that local households who may benefit have the option to consider them.

Emerging Households

- 4.41 The Survey identified that c.5.5% of respondents have 1 or more persons currently living with them that they expect to move to a separate home within the next 5 years. The survey identified that c.84% of the new households will be under 35 years of age and 68% of the households will consist of a single person (and no others).
- 4.42 Figure 4.19 below outlines the ways in which respondents expect the new households to occupy their next home. The data shows that all expect to either buy or rent privately. The 12% that expect to use Help to Buy may benefit from intermediate housing options.

Figure 4.19 – New Households



Further Comments

4.43 Respondents were also asked to make comments on Otterpool Park and what it should include, the top responses are set out below. While many are consistent with the other data, there are some interesting findings:

- While the majority of respondents to the wider survey live in private accommodation (with only 8% in affordable housing), the comments below identify a significant recognition of the need for affordable housing options.
- The quality of housing is highlighted as a concern by some residents.
- Having 1 / 2 bed flats was identified by a small number of residents as being important, while the survey identified that no existing households gave a preference for a 1 bed home. This may be a household recognising the needs of emerging households.

Table 4.2 – What the New Development Should Include

Topic / Feature	No. of Comments	% of Commenters
Affordable housing	101	59%
Housing for first time buyers / families	29	17%
Different types of housing / not looking the same	29	16%
Social housing	25	12%
Housing for locals	18	10%
Higher quality housing	18	10%
Housing for the vulnerable / elderly / disabled	12	7%
Bungalows	11	6%
Smaller housing / flats (1 / 2 bed)	8	4%
Total Respondents	183*	

* Respondents could select more than one answer

Detailed Local Requirement Analysis

- 4.44 This section details the demand for different types of home once households that want to move elsewhere are excluded. Overall, there were 46 existing households looking to move within the area and 13 emerging households looking to move within the area. Increasing this requirement to reflect the fact that a sample of 513 of the 2,737 households was surveyed, this translates to a requirement for 245 moving households and 69 emerging households, totalling 314 new homes for local people.
- 4.45 Given that a proportion of people did not know whether they wanted to move, had an emerging household or wanted to stay in the area, a 10% buffer will be added to the total to ensure that all local people who want to move to Otterpool Park have the option to. This brings the total to 345 homes.
- 4.46 Table 4.3 outlines the types of homes that will be needed within each housing tenure, including both moving and emerging households. This identifies that the need for market sale is predominantly houses, with an increased proportion of flats required for market rent homes. Some households have no clear preference, indicating that a suitable home of either type may be attractive.

Table 4.3 – Moving and Emerging Households Tenure/Type Mix

Home Type	Market Sale	Market Rent	Housing Association	Average
Flat	4%	25%	-	7%
House	84%	63%	100%	81%
Don't know/ other	12%	13%	-	12%
% of all	83%	14%	3%	100%

- 4.47 Table 4.4 below identifies the proportion of different types of home that those who wanted to move required. It identifies that demand is predominantly for market housing, with a mixture of medium and large units required. An element of market rent and affordable is also required.
- 4.48 To keep the survey concise, this data was not obtained for emerging households, but the demographics and incomes of emerging households suggest that a mixture of smaller and medium sized units will be required to meet these needs.

Table 4.4 – Unit Type Mix of Households that Want to Move

Home Type	Market Sale	Market Rent	Housing Association
1 Bed	-	-	-
2 Bed Apartment	2%	-	-
3 Bed Apartment	-	-	-
2 Bed House	26%	-	100%
3 Bed House	36%	100%	-
4 Bed House	36%	-	-
% of moving	91%	7%	2%

- 4.49 Table 4.22 sets out the income levels of both the moving and emerging households, this has been used to sense check the mix to ensure that it reflects what local residents could afford, as well as what they desire to have.

Table 4.5 – Affordability for Moving and Emerging Households

Household Income	Market Sale	Market Rent	Housing Association	Overall
Upto £10,000	0%	25%	0%	3%
£10,000 but - than £20,000	12%	13%	50%	14%
£20,000 - £30,000	10%	0%	0%	8%
£30,000 - £50,000	18%	38%	0%	20%
£50,000 -£70,000	8%	0%	0%	7%
£70,000 -£90,000	14%	13%	50%	15%
£90,000+	14%	13%	0%	14%
Refused	22%	0%	0%	19%
% of respondents in tenure bracket	83%	14%	3%	100%

4.50 These results are translated into the recommended mix which is set out in table 4.6, considering the key points set out below and limitations of the survey.

Identified Need Conclusions

4.51 This section distils the data to determine how the scheme can respond to the needs of residents. Whilst the survey provides very useful information, there are inevitably overlaps in the types and tenures of product which could be suitable to meet each household's wants and needs. Therefore, a view has been taken on the most suitable mix, whilst also recognising that there will be a range of solutions around this central estimate.

4.52 In summary, the following needs are identified in this section:

- The need resulting from the survey is predominantly for private sale and rent, though discounted forms of home ownership will be relevant where a household cannot fully afford the size of home it desires
- There is a small element of affordable need from existing households and likely intermediate affordability in the emerging households.
- Income data suggests that some respondents' housing needs will exceed their budget, particularly for family sized homes. A greater than requested element of intermediate is therefore needed.
- Existing households looking to move have a preference for market houses, with a range of sizes. Only 2% want a flat.
- Emerging households require small to medium sized homes based on demographics and c.25% would like a flat.
- A range of extra care and elderly care is required.
- Self-build plots for those interested in building their own home, which will add to the character of the Garden Town.
- Responses to additional questions that do not directly relate to the housing mix, such as features of a house that occupiers couldn't do without, have been shared with the wider project team so that these can feed into the scheme. These included factors such as not having stairs (5%), study space for home working (5%) and parking facilities (24%).

Segment Mix

4.53 The overall demand from the Local Needs segment is identified as **345 homes**. The proposed mix for this segment is set out in table 4.6.

4.54 It is important to note that, in addition to the homes below, local people are likely to occupy a range of other housing within Otterpool Park. However, the homes below will be specifically prioritised for local people via a local allocations scheme.

Table 4.6 Local Needs Housing Mix

Tenure	Type	Flats			Houses				Tenure % of Mix
		1 bed	2 bed	3 bed	2 bed	3 bed	4 bed	5+ bed	
Affordable Rent	Affordable				50%	50%			1.5%
Affordable Elderly	Affordable	100%							1.5%
NHS Step Down	Affordable								
Intermediate Elderly	Intermediate								
Intermediate Rent	Intermediate								
Shared Ownership	Intermediate				25%	25%	50%		7%
First Homes	Intermediate				25%	25%	50%		7%
Live / Work	Intermediate								
Market Elderly	Market	25%			75%				10%
CLT / Self Build	Market						50%	50%	5%
Sharer Accommodation	Market								
Build to Rent	Market	5%	5%	5%	15%	50%	20%		14%
Market Sale	Market		5.0%		26%	34%	31%	4%	54%
<i>Overall Segment</i>		5%	3%	1%	28%	30%	29%	5%	100%

Note: figures have been rounded to nearest whole percent

5 Need - Keyworker Demand

- 5.1 Given the scale of the development, many jobs will be created either onsite or to directly support the development. These roles will include keyworker and public service roles such as teachers and doctors that will be crucial to the long-term sustainability of the Garden Town. Ensuring that there are homes to meet the needs of these employees is therefore important.
- 5.2 The required number of keyworker jobs has been informed by the socioeconomic modelling conducted to inform the planning application. Suitable housing has then been identified to respond to the needs and expected income levels of the required employees. This section sets out the identified roles and housing considerations, concluding with the recommended segment mix.

Identified Keyworker Roles

- 5.3 The number of keyworker roles has been forecast for the Garden Town. The roles include a mixture of keyworker jobs, such as doctors and teachers. Given the need to ensure that public services can attract staff and function well, homes to specifically meet the needs of these keyworker roles have been considered in this segment.
- 5.4 Table 5.1 sets out the number of forecast keyworker roles. As not all roles will be full time, it identifies the number of full-time equivalent roles there are and then calculates how many jobs/employees this will mean are actually required.

Table 5.1 Forecast Keyworker Roles Supporting Otterpool Garden Town

	Full Time Equivalent	% Part Time	Jobs
Sports Pavilion	8	60%	11
Indoor Sports Hall	70	60%	95
Secondary School (inc. Sixth Form)	220	33%	265
Primary School	205	72%	320
Nursery	75	53%	105
Community Centre	70	60%	105
GP Services	115	44%	145
Care	435	44%	555
Total	1,198	-	1,601

- 5.5 Personal circumstances for some workers will mean that they want or have to live offsite and some might be dual keyworker households. Therefore, it is not expected that a house will be required onsite for each keyworker role. An assumption has been made that the 1,600 jobs will translate to a need for keyworker homes at a rate of 70%, meaning that 1,120 homes will be needed for this segment.

Keyworker Housing Considerations

- 5.6 Keyworker roles have a wide range of incomes and needs. For example, doctors are likely to be on relatively high incomes and may be in a position to stay settled in an area. Meanwhile junior medical staff just starting their careers will be on lower incomes and potentially require flexibility to move as

they seek a wide range of experience. Each keyworker is different, and a diverse range of homes is needed to meet their needs.

- 5.7 In terms of affordability the needs will cover the full range of tenures. Those in some keyworker roles will be on relatively low incomes, and affordable housing may be needed, particularly if they have a family and need a larger home. Many keyworkers will be in the intermediate housing bracket, where suitable market accommodation is out of reach, but they do not qualify for traditional affordable housing. There will also be part of this segment that has a higher income, including managers and doctors. These will be able to afford market housing and a suitable mix of these homes will be needed to ensure the area can attract this talent.
- 5.8 In terms of housing type, again a spread of options will be required. These will generally reflect market demand for unit sizes, but there are needs that are more specific to keyworkers. Firstly, sharer accommodation is a low-cost way of living that also brings social benefit and may be suitable for junior staff that are training. Providing this tenure will make it easier for these keyworkers to locate to the area and live independently. Secondly, some keyworkers may prefer the flexibility of renting. An element of Build to Rent will ensure that there is a high-quality rental offer in the local area that meets this need and also reduces barriers to people locating to the area.
- 5.9 Table 5.2 sets out a summary of analysis of likely incomes and suitable housing options for each. Some households will have dual incomes. Some roles sit at a crossover point, where they could afford a smaller market home, but would need a discounted option to afford a family size home. Further detail can be seen on affordability in Appendix A. This summary is high level, for several of the workplaces there will be senior managers that earn more, or support staff that earn less, which are considered in the round when the overall mix is arrived at.

Table 5.2 Affordability Levels Summary

	Jobs	Assumed Roles	Median Full Time Incomes (ASHE)	Single Income Affordability
Sports Pavilion	11	Sports and Leisure Assistants	£18,000	Affordable
Indoor Sports Hall	95	Sports and Leisure Assistants	£18,000	Affordable
Secondary School	265	Secondary School Teacher	£38,000	Intermediate / Market
Primary School	320	Primary School Teacher	£34,000	Intermediate / Market
Nursery	105	Nursery Staff	£17,000	Affordable
Community Centre	105	Social Worker	£31,000	Affordable / Intermediate
GP Services	145	Nurse / GP	£35-65,000	Intermediate / Market
Care	555	Care Workers	£20,000	Affordable
Total	1,601			

Identified Need Conclusions

5.10 In summary, the following needs are identified in this section:

- A wide mix of affordability, meeting the wide range of incomes from this segment. Albeit recognising that the majority of keyworkers cannot afford open market rates for a house that meets their needs.
- A mixture of unit types, meeting the needs of single trainee nurses through to doctors with large families.
- Sharer accommodation for staff in training that would benefit from low accommodation costs and a social environment.
- Build to Rent to ensure high quality homes for those that prefer to rent and to ensure it is easy for people to locate to the Garden Town initially.

Segment Mix

5.11 The housing requirement for the Keyworker Demand segment is identified to be **1,120 homes**. The proposed mix to meet this set out in table 5.3.

Table 5.3 Keyworker Demand Housing Mix

Tenure	Type	Flats			Houses				Tenure % of Mix
		1 bed	2 bed	3 bed	2 bed	3 bed	4 bed	5+ bed	
Affordable Rent	Affordable	20%	20%			30%	25%	5%	50%
Affordable Elderly	Affordable								
NHS Step Down	Affordable								
Intermediate Elderly	Intermediate								
Intermediate Rent	Intermediate	5%	10%	5%	10%	40%	30%		10%
Shared Ownership	Intermediate	5%	10%		10%	40%	35%		15%
First Homes	Intermediate								
Live / Work	Intermediate								
Market Elderly	Market								
CLT / Self Build	Market								
Sharer Accommodation	Market	100%							5%
Build to Rent	Market	50%	50%						10%
Market Sale	Market	10%	10%		10%	30%	20%	20%	10%
Overall Segment		22%	19%	1%	4%	28%	23%	5%	100%

Note: figures have been rounded to nearest whole percent

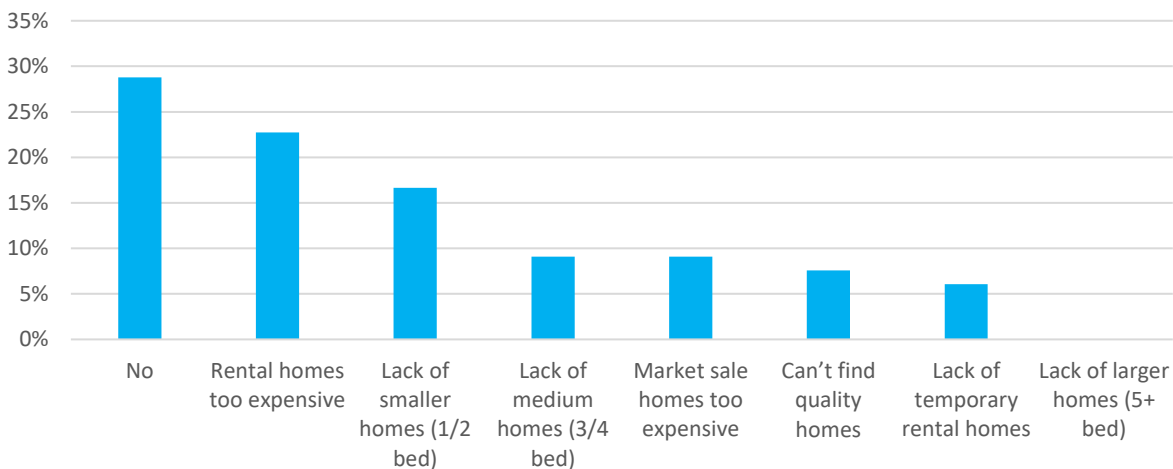
6 Need – Supporting Local Economic Growth

- 6.1 A lack of suitable housing for employees can affect both existing local businesses’ ability to recruit, as well as deterring new businesses from locating to an area. The Supporting Local Economic Growth segment aims to fulfil such unmet needs that currently limit the ability of the economy to grow.
- 6.2 Given the lifetime of housing stock and speed at which structural change can occur in economies, it is often the case that the homes in an area do not truly meet the needs of those employed by local business, or companies that would otherwise consider locating to the area. This segment focuses on key tenures and types of home that are not currently provided by the market. Wider rebalancing of exiting tenures is addressed in the following two sections, with a view to ensuring long term sustainability of the Garden Town.
- 6.3 Two methods have been used to identify such issues. The first is discussions with FHDC and local businesses, to identify any specific gaps in the existing housing mix that act as a barrier to staff locating to the area. The second method is considering the types of industry that FHDC aims to attract to the area and comparing the existing housing mix to the housing demand created by these industries.

Key Housing Gaps Faced by Local Companies

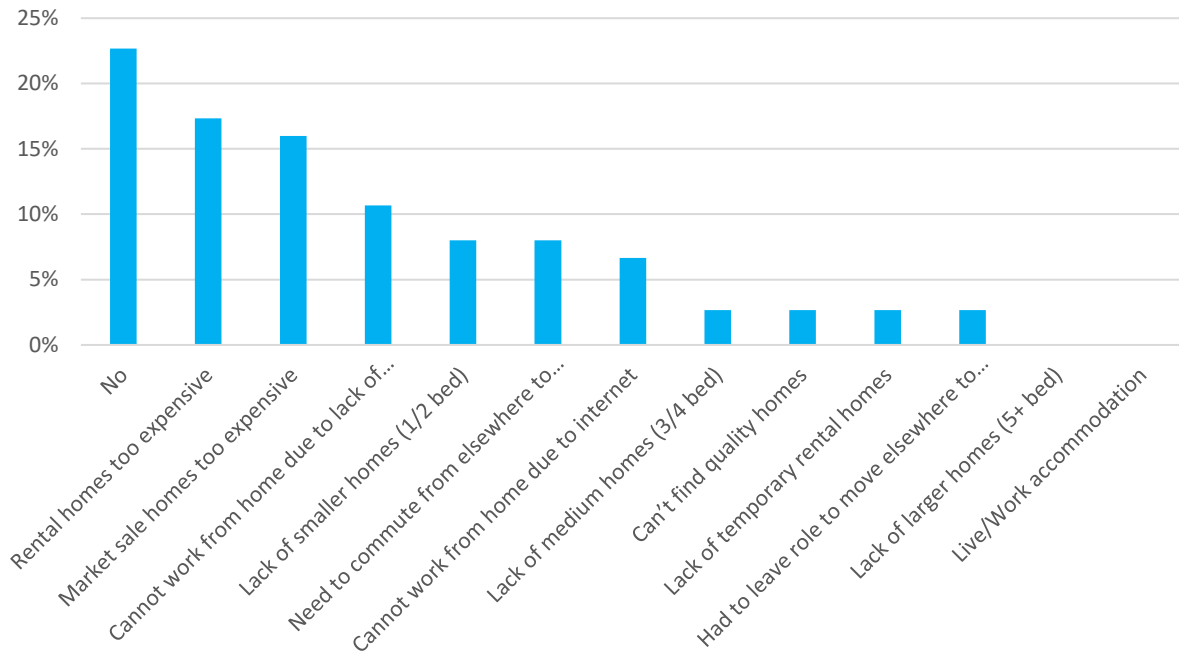
- 6.4 A survey of local businesses was conducted to identify housing issues that affect their ability to recruit and retain staff. The survey received 44 responses, from predominantly micro, small and medium enterprises as well as a few larger companies. Over half of the companies said they are looking to recruit additional staff in the medium to long term, with only 14% saying they were not looking to recruit more staff. Key results from the survey are set out below.
- 6.5 Figure 6.1 identifies whether companies have struggled to recruit staff due to housing related issues and what the reason was. While 29% of firms did not report housing as an issue in recruiting staff, the majority did. In addition to there being a need for more small and medium homes, temporary rental and high-quality homes were also identified as needed.

Figure 6.1 Has recruiting staff been challenging because of housing related issues?



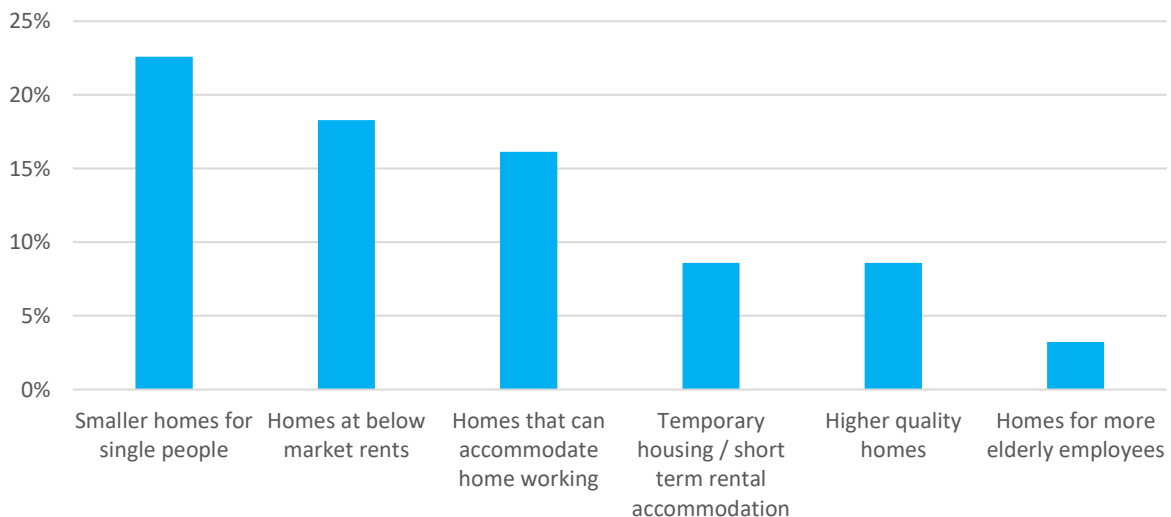
- 6.6 Companies were also asked about whether housing issues affected the work of current employees and their ability to stay in their current role. A diverse range of responses were received, as set out in figure 6.2

Figure 6.2 - Do your staff report housing issues that affect their work, or may affect whether they choose to remain in their current role?



6.7 Respondents were also asked which types of housing would help with recruitment. Smaller homes and affordable homes were the most frequently reported requirements, but a range of other needs were noted.

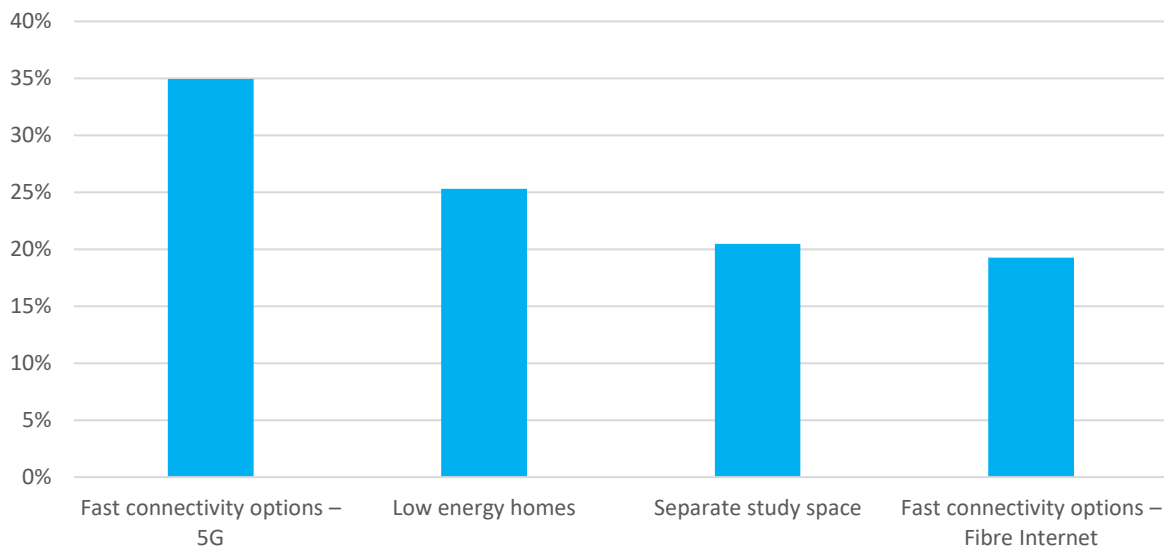
Figure 6.3 If you are looking to employ staff in FHDC, what housing types would support this?



6.8 At the time that the survey was conducted in mid 2020, 50% of respondents said home working took place before COVID-19 and 75% said home working was now important. This rise may now be greater given the time that has elapsed since the survey. Figure 6.4 sets out features that were felt important in new homes to support home working. Open form responses also provided further details including

sustainability, electric car charging, affordable and community led housing, transport and leisure facilities.

Figure 6.4 Will any of the following housing features be important for ensuring staff can work from home?



Key Economic Growth Areas

6.9 FHDC’s objective to grow the local economy is recognised, ensuring a diverse range of jobs and sustainable community going forward. Part of this ambition focusses on attracting sectors that do not currently have a strong presence in the area, but may benefit from lower business rents, proximity to the coast and HS1.

6.10 The industries that FHDC is aiming to attract have been discussed and several elements of unmet need have been identified by comparing the typical requirements of these sectors with the available housing in FHDC. These gaps are as follows and many are consistent with the results of the business survey:

- **Live Work Accommodation** – Attracting the creative sector was identified as a priority, with live work accommodation often being favoured by those in the creative sector. This type of housing enables a flexible life/work balance and creates activity in residential areas throughout the day.
- **High Quality Rental Accommodation** – The vast majority of rental homes in FHDC are managed by Buy to Let landlords, with a variable quality of stock and service. A high-quality Build to Rent offer will reduce barriers to labour mobility, providing a first step for those that want to move to the area with work. It will also provide long term homes for those that prefer the flexibility of renting, which is popular with a diverse range of employees in growing cities.
- **Executive Homes** – To attract new sectors and businesses to the area, senior management teams will need to be comfortable that the area meets their personal requirements. High quality housing will be a key decision-making factor for executives so ensuring there are homes to appeal to these individuals will be important. Including a mixture of higher end homes in the Garden Town will therefore be essential. It will also encourage a mixed and

balanced community in the long term, rather than high end gated developments being built speculatively elsewhere.

- **Homeworking** - A significant shift towards home working has taken place out of necessity, but a significant industry shift is expected to remain in the long term. Ensuring homes can accommodate home working, with high speed internet connections and dedicated study space will be essential to ensure the homes meet the needs of businesses.

Identified Need Conclusions

6.11 In summary, the following needs are identified in this section:

- A mixture of small and medium homes, as well as more affordable homes – particularly for rent (see below paragraph)
- Live-work accommodation to achieve FHDC’s ambition of attracting creative sectors
- Build to Rent homes to encourage labour mobility and attract those preferring to rent
- An element of larger high-quality homes to attract executives and ensure mixed communities
- Home working space and internet connectivity are critical to ensuring the homes meet the need for home working. These issues fall outside the scope of this document but will be picked up in the design specification.

6.12 Given that sections 7 and 8 address the issue of general affordable need and housing diversity, the mix for this segment focuses on the tenures that are unique to supporting business needs. The wider need identified for smaller homes and more affordable homes is carried forward to sections 7 and 8.

6.13 The overall number of homes selected for this segment has been based on ensuring a sensible mix in the round.

Segment Mix

6.14 The housing requirement for the Supporting Local Economic Growth segment is identified to be **200 homes**, with the proposed mix to meet this set out in table 6.1.

Table 6.1 Supporting Local Economic Growth Housing Mix

Tenure	Type	Flats			Houses				Tenure % of Mix
		1 bed	2 bed	3 bed	2 bed	3 bed	4 bed	5+ bed	
Affordable Rent	Affordable								
Affordable Elderly	Affordable								
NHS Step Down	Affordable								
Intermediate Elderly	Intermediate								
Intermediate Rent	Intermediate								
Shared Ownership	Intermediate								
First Homes	Intermediate								
Live / Work	Intermediate		70%			15%	15%		25%
Market Elderly	Market								
CLT / Self Build	Market								
Sharer Accommodation	Market								
Build to Rent	Market	20%	30%			20%	20%	10%	50%
Market Sale	Market						50%	50%	25%
Overall Segment		10%	33%	0%	0%	14%	26%	18%	100%

Note: figures have been rounded to nearest whole percent

7 Need - Wider District and Regional Affordable Need

7.1 The wider local and regional affordable need segment uses broader analysis of socioeconomic data to identify the need that exists for affordable housing in the wider area. This is to ensure Otterpool Park benefits the wider region and helps meet affordable housing needs.

Methodology

7.2 This segment of need has been identified through an analysis of data and existing reports. This approach ensures that the housing mix will align to the existing FHDC strategy, while recognising that Otterpool Park is a distinct place and is required by policy to deliver a distinct housing mix. The data sources used included:

- 2017 Strategic Housing Market Assessment for Shepway District Council
- Land Registry – House price growth
- Office for National Statistics – Housing affordability ratios
- Valuation Office Agency – Private rental market statistics
- CACI Paycheck – Household incomes
- Census – housing stock and demographics
- Council Waiting List data and survey – waiting list for council housing
- Healthier Housing Report – Ongoing and new housing initiatives

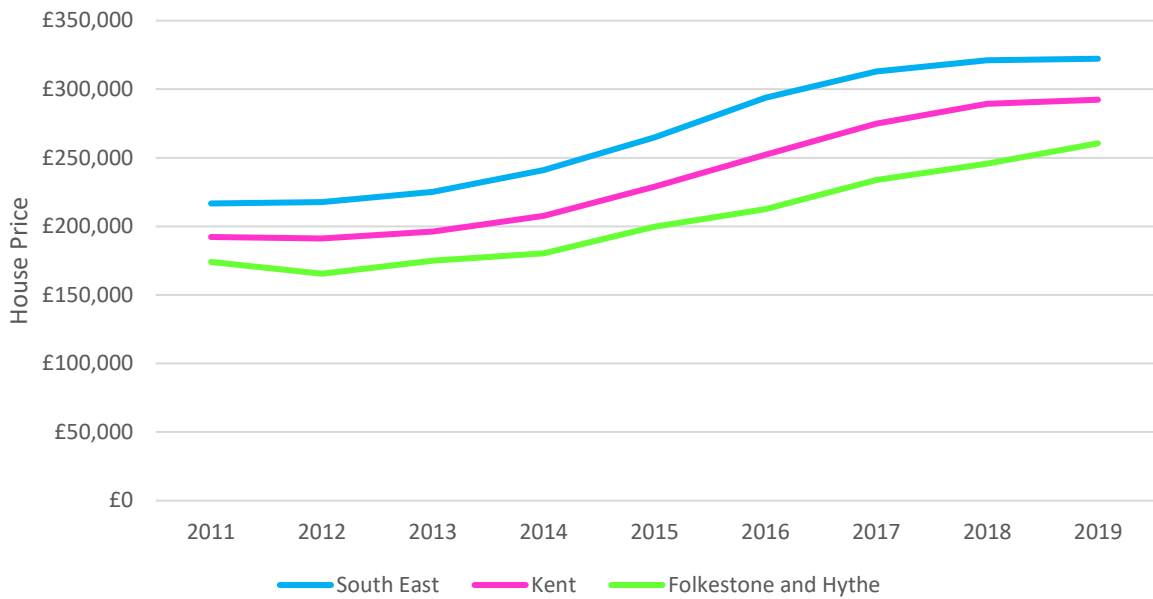
7.3 The following headings address the key elements of the analysis. First the market context is considered to understand the macro factors that are driving affordable housing need. Second the SHMA is considered, identifying the need for the scheme. Third, wider data is considered, with a focus on ensuring Otterpool Park meets its requirement to deliver a sustainable community that meets diverse needs. Lastly, the key requirements and unit mix are set out.

Market Context

7.4 This section reviews the changes within the market over the last ten years, highlighting how a general reduction in affordability has led to an increased demand for affordable housing across a range of income levels.

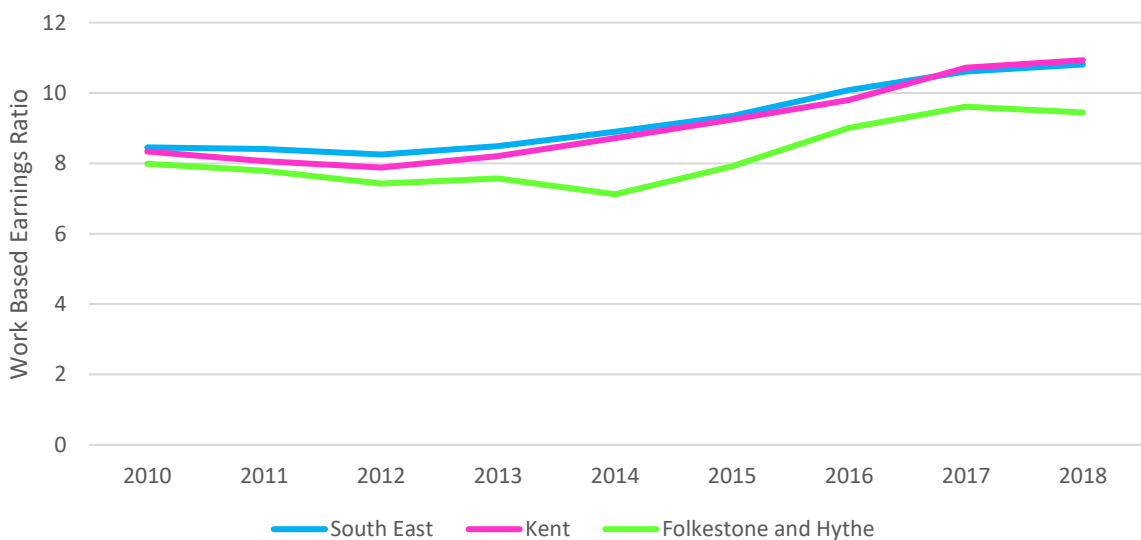
7.5 Figure 7.1 demonstrates that house price growth for all property types since 2011 in the South East, Kent and Folkestone and Hythe has been substantial. House prices in Folkestone and Hythe have increased by 50%. This rise is similar to that for the whole of the South East region and Kent, which have seen increases of 49% and 52% respectively.

Figure 7.1 House Price Growth



7.6 Figure 7.2 indicates that wage growth has not kept up with the rise in house prices, meaning that affordability within the South East, Kent and Folkestone and Hythe has worsened significantly. In 2017 the lower quartile house price in Folkestone and Hythe was c.9.6x median incomes, decreasing slightly to c.9.4x in 2018. This means that a household wanting to buy an entry level home would need to borrow almost ten times their income. Most banks will only lend half this amount so it is clear that households will either be forced to remain in rented accommodation or save for many years for a large deposit.

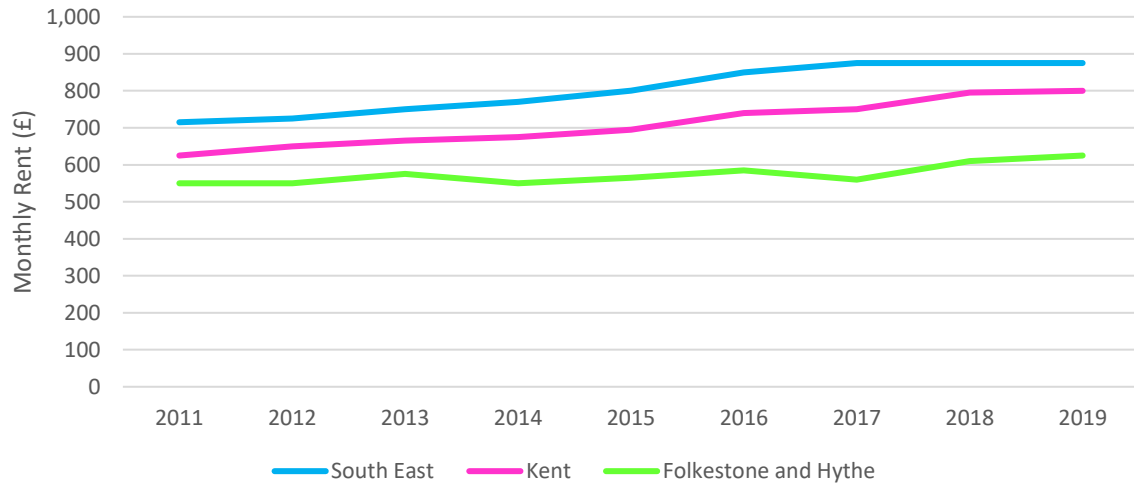
Figure 7.2 Lower Quartile Housing Affordability (ONS)



7.7 Figure 7.3 shows how rental prices have changed since 2011. Median rents in Folkestone and Hythe have not risen as much as those in Kent and the wider region but have increased. This will place

increased strain on those living in the private rented sector, as well as limiting the ability of people to save for a deposit if this is something they are aiming to do.

Figure 7.3 – Median 2 Bed Rents (VOA)



- 7.8 Overall, increased house prices and rents will be placing more pressure on those looking to buy. This will increase the demand for affordable housing options across a wide range of income bands, including both those suitable for affordable and intermediate housing.
- 7.9 It should also be noted that Kent and the wider region have experienced greater house price increases than Folkestone and Hythe. Residents from the surrounding area may therefore be encouraged to move to Folkestone and Hythe where affordability is better.

SHMA / OAN

- 7.10 The 2017 Strategic Housing Market Assessment (SHMA) was a joint document prepared on behalf of FHDC and Dover District Council by PBA. It should be noted that at the time FHDC was called Shepway. The SHMA identifies the Council's Objectively Assessed Need (OAN) for housing in the Local Plan review period. The OAN is the official measure of housing need and the SHMA is considered to be a robust evidence base.
- 7.11 The evidence and data analysed by PBA is the most recent available for the district and identifies that a starting point for Shepway is to plan for 633 new dwellings per year. This includes an allowance for the fact that that much of the data has been informed by a period of declining migration and higher levels of unemployment, with future demand potentially being higher.
- 7.12 In terms of tenure, the SHMA identifies the tenure need which is set out in table 7.1. The required mix of bedrooms within each of these tenures is set out in table 7.2.

Table 7.1 – Tenure Mix Required

	% of Homes
Private Owned	55.2%
Private Rental	23.2%
Shared Ownership	6.6%
Affordable Rental	15.0%

Table 7.2 – Bedroom Mix Required by Tenure

	1-bedroom	2-bedroom	3-bedroom	4+ bedroom
Private Owned	4.8%	28.5%	39.1%	27.5%
Private Rental	20.2%	32.2%	31.0%	16.6%
Shared Ownership	21.9%	29.1%	28.4%	20.5%
Affordable Rental	23.7%	15.7%	36.1%	24.5%

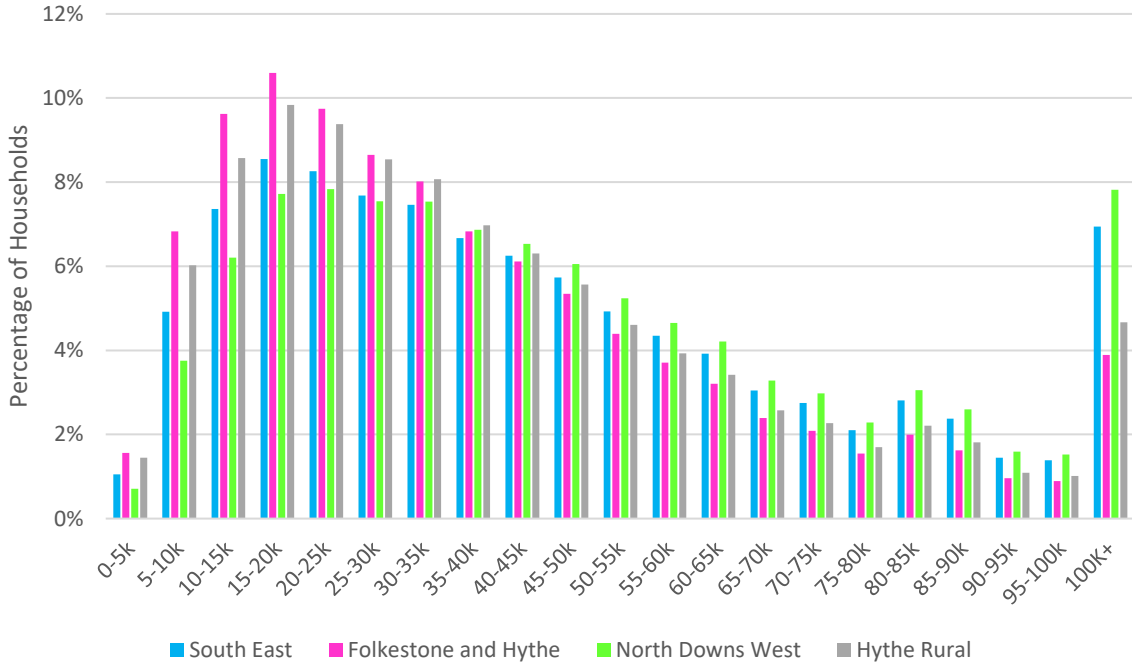
- 7.13 In terms of affordable housing, PBA’s research shows the need in Shepway (now FHCD) is for 139 dwellings per year. This represents 22% of the total annual household growth in the district between 2014-2037, however the report makes it explicitly clear that this 22% does not include starter homes which at the time were soon to be launched and have now been changed to First Homes.
- 7.14 The SHMA identifies a demand for approximately 90 Starter Homes per annum in the district, with a demand mix of 35% 1 bedroom, 29% 2 bedroom, 19% 3 bedroom and 7% 4 bedroom.
- 7.15 The SHMA also identifies a need for a significant increase in the supply of both market and affordable sheltered and extra care housing in the district, with approximately 10% of new dwellings (1,279) over the Plan period required to be of a specialist nature to meet the needs of the ageing population, with 2/3 of these market and 1/3 affordable homes. The local plan target is broadly aligned to this requirement.
- 7.16 Whilst the housing size and tenure mix proposals for Otterpool Garden Town strive to meet local OAN as evidenced by the 2017 SHMA, the scale of the proposals are such that Otterpool will resemble a housing market in its own right. It is therefore necessary to address this evidence “in the round” and with a view to broader concerns, including the need for housing that supports the diverse needs of a significantly sized new community.

Data Led Analysis

- 7.17 Further data led analysis has been conducted to provide an understanding of the affordable housing need at the wider regional and specific local level. Additionally, more recent data sources such as CACI data are also reviewed to ensure the picture of need is as current as possible.
- 7.18 Figure 7.3 shows the distribution of household incomes within the wider South East region, Folkestone and Hythe, North Downs West Ward and Hythe Rural Ward. 35% of households within Folkestone and Hythe that fall into the income bracket that would be eligible for social housing (£0-£25k), compared to the 30% in the whole of the South East. In North Downs West Ward there is a large percentage of

households who qualify for intermediate housing (£25k-£90) which is 63%, compared to 56% in Folkstone and Hythe and 60% in the South East, meaning within the wider local area there will be a higher need for intermediate homes. Overall to meet wider affordable housing needs the graph demonstrates that a diverse range of affordable tenures will be needed.

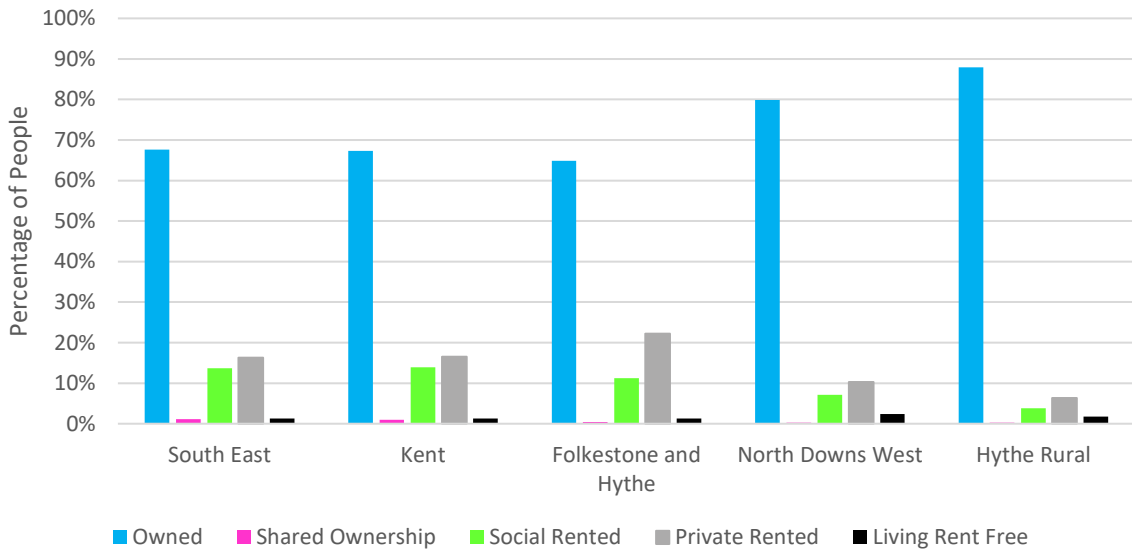
Figure 7.3 – Household Income (CACI 2019)



7.19 Figure 7.4 compares the existing housing stock within different geographies. The level of homes ownership within the wards that the Garden Town is proposed for is higher than the wider areas, 80% for North Downs and 88% in Hythe Rural. This is accompanied by a lower level of both private rented and affordable homes. This means that the need for affordable housing from the wide area is greater than what would be required to meet local need alone.

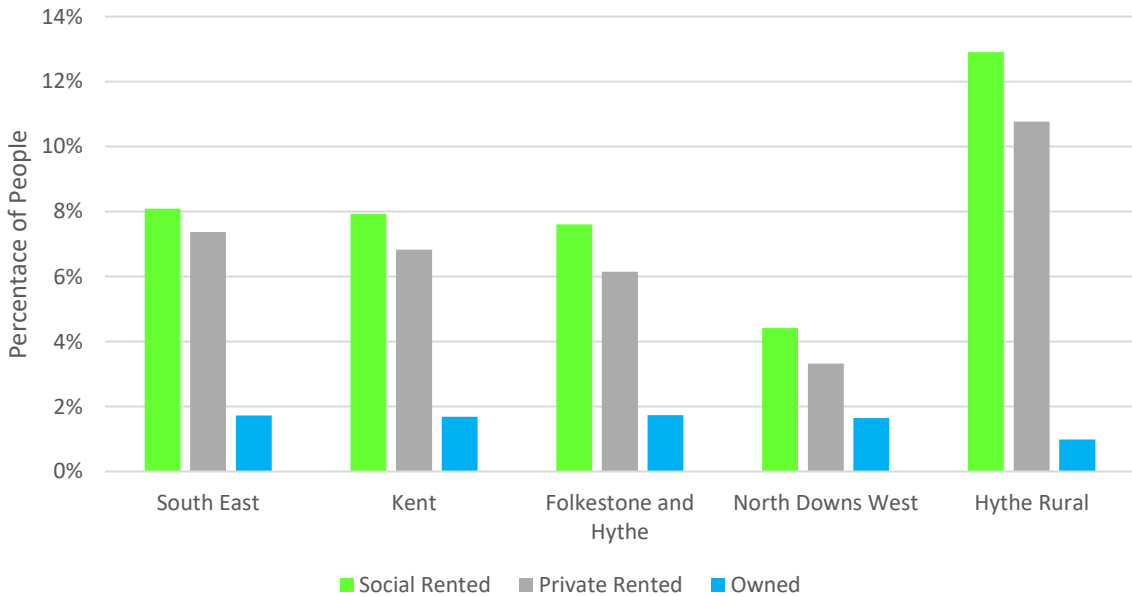
7.20 The level of shared ownership housing in Folkestone and Hythe Borough is very low. It should be noted that since the 2011 Census data was released there has been a slight increase in the delivery of intermediate homes, but it is still likely to represent a very small proportion of the total stock. This means that the large proportion of people on middle incomes, as identified in figure 7.3, are likely to have limited housing options at present.

Figure 7.4 – Household Tenure (Census 2011)



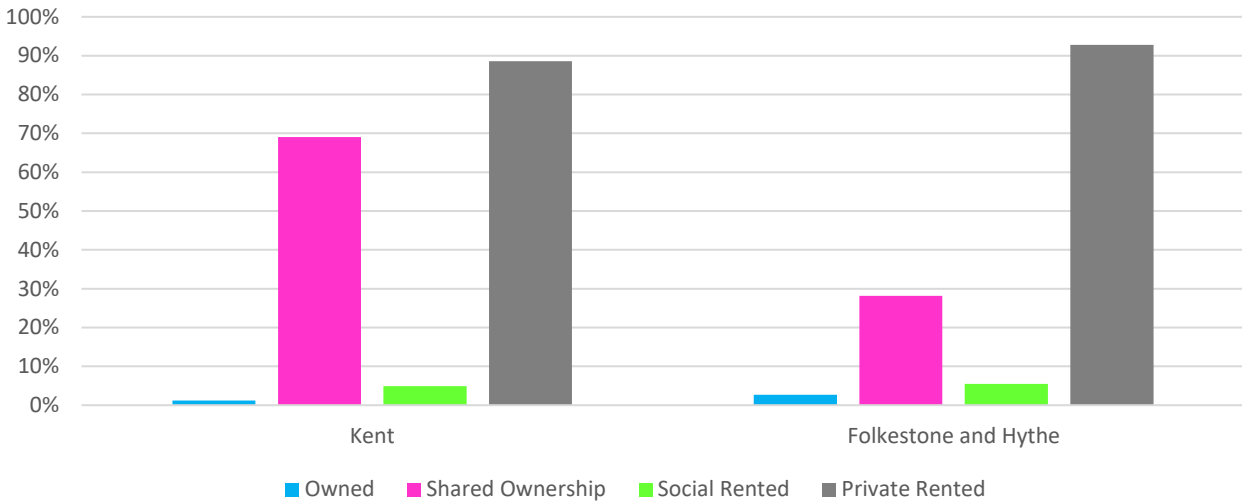
7.21 Figure 7.5 demonstrates that the proportion of overcrowding within different tenures across different geographies. Overcrowding within both the social rented and private rented sectors is shown to be an issue. Within the wider areas the levels are relatively consistent, while the two local wards show contrasting pictures. This means that there are households that currently live in a home that is too small for them, indicating a need for a range of larger homes in the proposed development.

Figure 7.5 – Household Overcrowding (Census 2011)



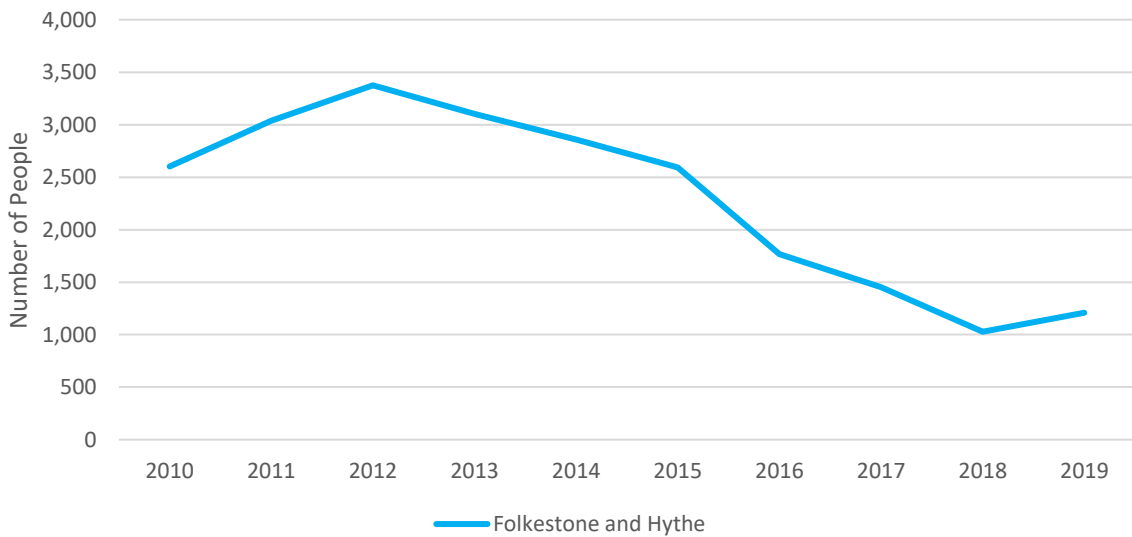
7.22 The growth in the Private Rented Sector shown in figure 7.6 may be due to a lack of options in affordable housing, lack of supply / affordability issues for market housing and the absence of intermediate housing. The borough’s current rental stock is insufficient to cater for those who can’t afford private sale housing and may result in overcrowding and poor living conditions.

Figure 7.6 – Household Tenure Change 2001-2011 (Census 2001, 2011)



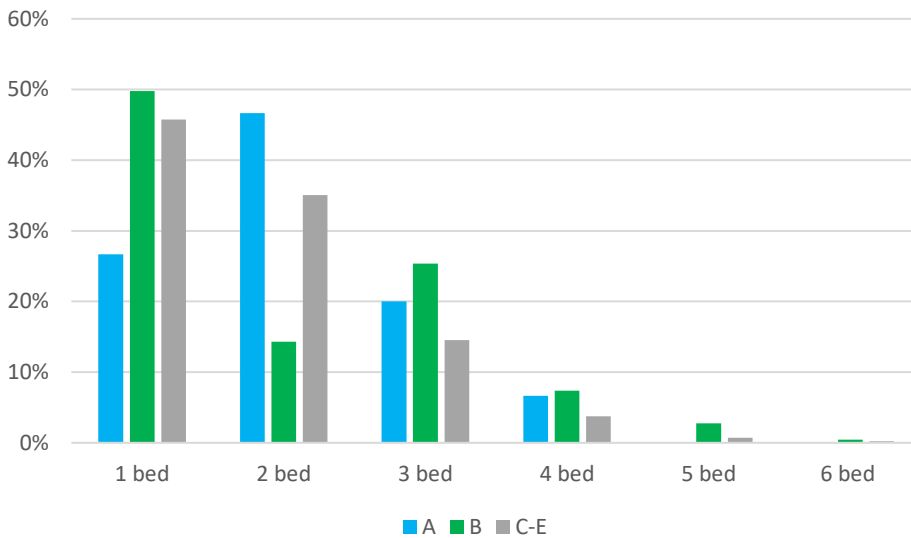
7.23 Figure 7.7 indicates that there has been a decrease in the number of households that are on the FHDC housing waiting list from 2012 to 2019. This is largely thought to be due to tightening eligibility requirements around 2011, with the number now rising again. There were 1,209 households in Folkestone and Hythe on the list as of 2019, 92 of which live in areas around and near to Otterpool Park.

Figure 7.7 – Household Waiting List



7.24 Figure 7.8 indicates the level of demand for each home size within different bands of the waiting list. This chart highlights the need for medium and smaller sizes homes for those in all bands of the waiting list, with a small proportion of those in bands B and above requiring 5+ bed homes.

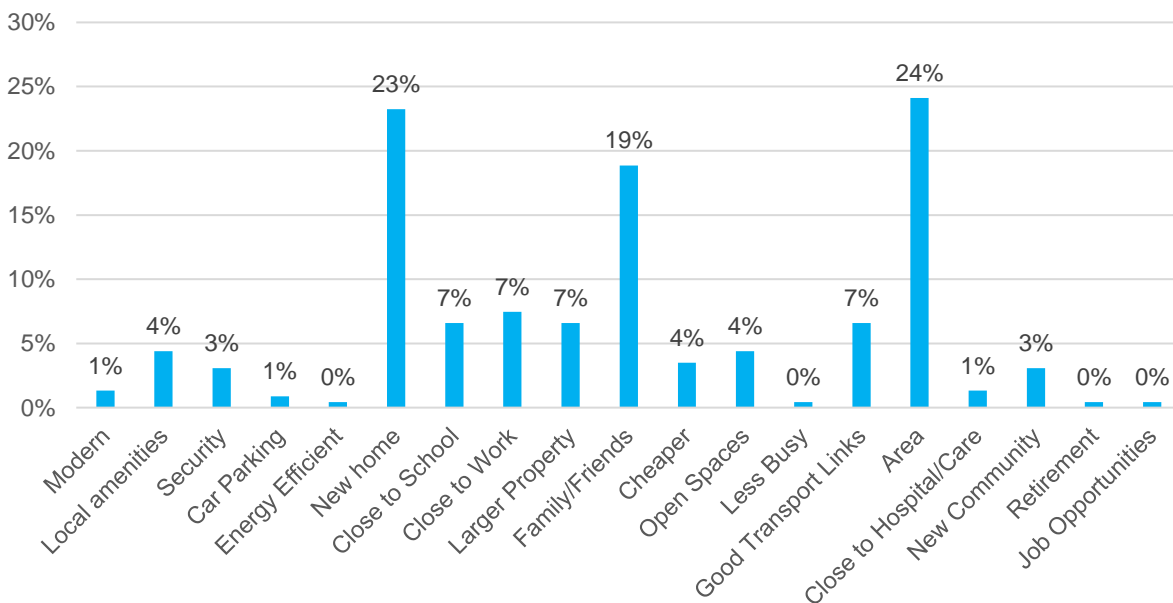
Figure 7.8 – Waiting List Bedroom Requirement (FHDC)



Home Choice Survey Results

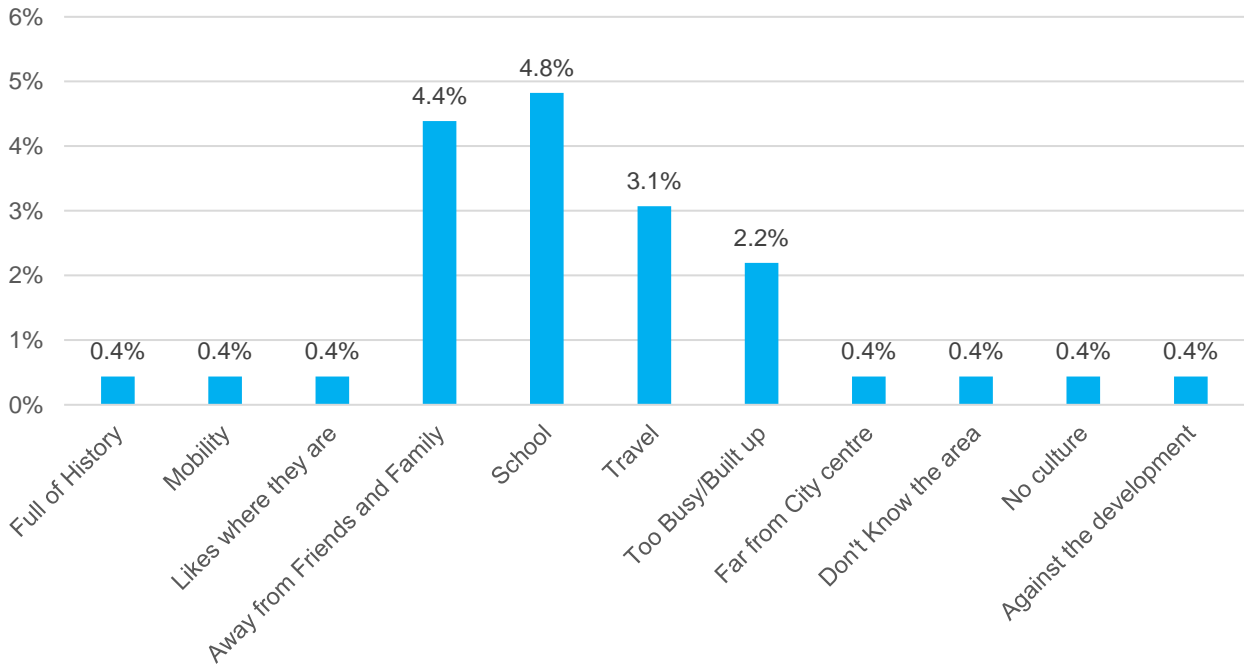
7.25 Home Choice applicants were asked a series of questions based on the potential of households moving to Otterpool Park. The results identified that 85% would consider moving to Otterpool Park when the new homes were built. 62% of respondents were seeking social rented homes, 19% were seeking intermediate homes to rent or buy and 19% were seeking private homes. The households were also asked the main factors that attracted them to potentially moving to Otterpool Park. These results are shown in figure 7.9 below.

Figure 7.9 – Otterpool Pull Factors



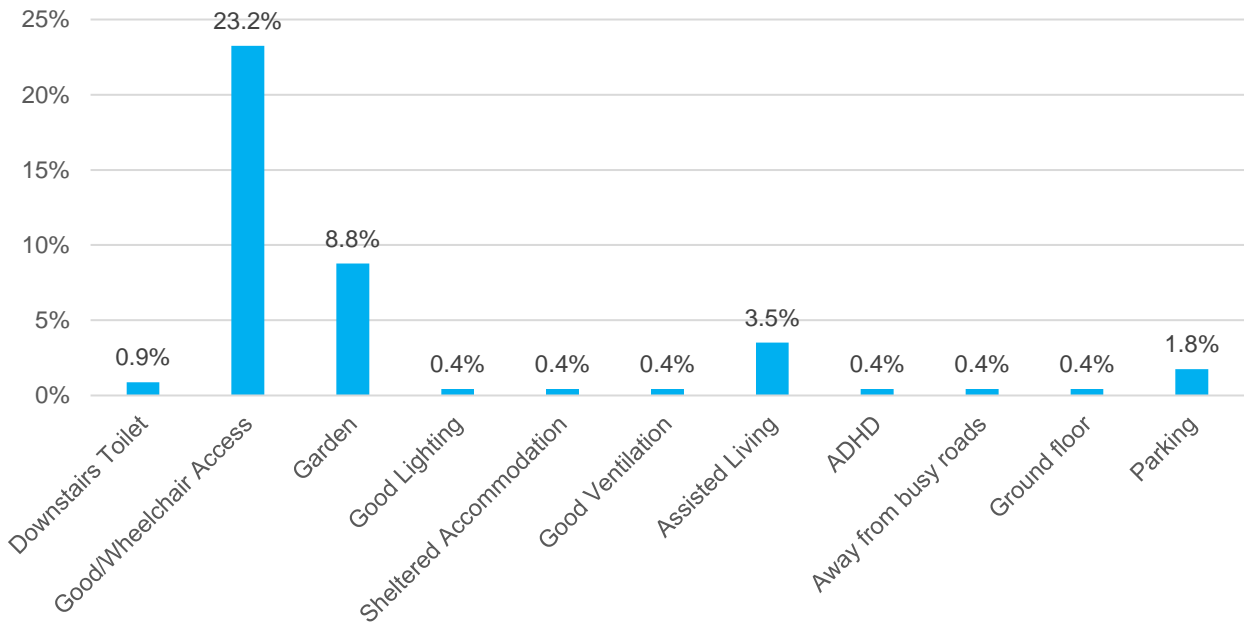
7.26 From the households that said they would not like to move to Otterpool Park, respondents were then asked the main reasons that them off considering a future move to Otterpool Park. These are shown below in figure 7.10.

Figure 7.10 – Otterpool Detractions



7.27 A survey question also asked about any key requirements that households needed if they were to move to Otterpool Park. These results are shown below in figure 7.11. While picking up design points is largely outside the scope of the housing strategy, these will be passed onto the wider design team.

Figure 7.11 – Key Requirements



Additional Identified Needs and Consideration

7.28 In addition to the general wider need for affordable homes, there are specific areas of need that the Garden Town can seek to address. These additional identified needs are set out under the following headings.

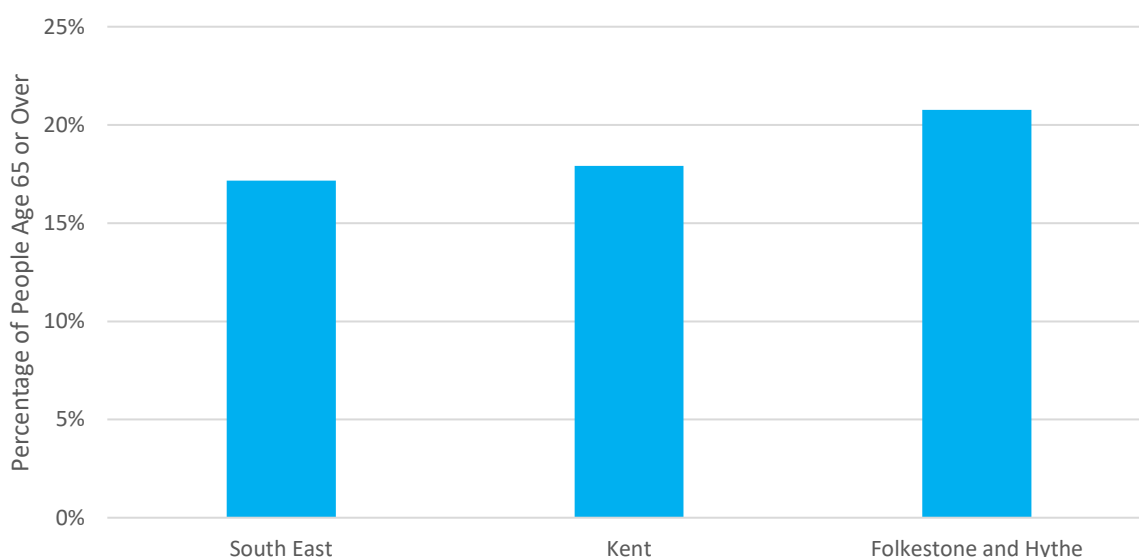
NHS Step Down Accommodation

- 7.29 Step Down Accommodation allows individuals who have been discharged from hospital to have the ongoing limited medical attention they need without the need to use up a hospital bed. It is for those who can't immediately return home and allows each individual to have an accessible apartment with their own kitchen and bathroom at a hotel standard. This frees up valuable beds in hospital and provides patients with a midway step to ease the process of going back home.

Elderly Accommodation

- 7.30 There is a widely recognised need for homes for the elderly that best meet the needs of an aging population. The Kent Adult Social Care and Health Accommodation Strategy highlights strategic priorities including the role of extra care and supported accommodation to promote independence and wellbeing for elderly residents. The local plan also sets a 10% requirement for elderly accommodation, informed by the SHMA.

Figure 7.12 – Age Structure



Shaping a Sustainable community

- 7.31 Finally, while a data driven approach has been taken to identifying wider affordable need, there is also the requirement to ensure that Otterpool Park is a sustainable community. The scheme is a place in itself, rather than an opportunity to rebalance an existing community. This means that adjustments to the mix will need to be made to ensure that the housing mix is appropriate for Otterpool, rather than just meeting a proportional amount of affordable need. For example, ensuring that there is a full mix of sizes of homes.

Identified Need Conclusions

7.32 In summary, the following needs are identified for this segment. Table 7.4 first sets out the data / source, followed by the key conclusions from this source.

Table 7.4 – Identified Need Conclusions

Source	Key Conclusions
House Price and VOA Data	<ul style="list-style-type: none"> Housing affordability has considerably worsened in both the owner and rental sectors, meaning that affordable housing options will be important for many households.
SHMA	<ul style="list-style-type: none"> A range of tenures and home sizes are needed to meet regional needs, the SHMA unit mixes inform the unit mix for this segment.
Caci Household Income Data	<ul style="list-style-type: none"> As identified in the SHMA, a wide range of tenures are required to meet a wide range of income levels.
Census	<ul style="list-style-type: none"> There is currently a low level of intermediate housing provision, which should be addressed. Overcrowding is identified as an issue at a local and regional level, with a mixture of larger family homes and smaller homes to house hidden households required to alleviate this.
Housing Waiting List	<ul style="list-style-type: none"> A mixture of unit sizes is required, predominantly in the 1 to 3 bedroom range, with a limited number of larger homes.
Home Choice Survey	<ul style="list-style-type: none"> There is significant demand for homes in Otterpool Park. Key factors affecting household decisions include the prospect of a new home, availability of schools and accessibility features.
Wider Considerations	<ul style="list-style-type: none"> Step Down accommodation will help meet NHS needs. Homes for elderly residents is a priority, with extra care and supported accommodation required to support the Kent strategy for Adult Social Care. A greater focus should be placed on intermediate provision than a typical scheme, to ensure a mixed and balanced community.

Segment Mix

7.33 The proposed mix for the Wider District and Regional Need segment is set out in table 7.3. The segments so far have also included a requirement for the number of affordable homes. This segment allocates further affordable types and tenures to meet the 22% policy requirement.

Table 7.3 Wider District and Regional Need

Tenure	Type	Flats			Houses			Tenure	
		1 bed	2 bed	3 bed	2 bed	3 bed	4 bed	5+ bed	% of Mix
Affordable Rent	Affordable	5%	15%			40%	35%	5%	20%
Affordable Elderly	Affordable	100%							5%
NHS Step Down	Affordable	100%							5%
Intermediate Elderly	Intermediate	100%							10%
Intermediate Rent	Intermediate	30%	30%			25%	10%	5%	25%
Shared Ownership	Intermediate	20%	20%			30%	25%	5%	25%
First Homes	Intermediate	20%	20%			30%	30%		10%
Live / Work	Intermediate								
Market Elderly	Market								
CLT / Self Build	Market								
Sharer	Market								
Accommodation									
Build to Rent	Market								
Market Sale	Market								
Overall Segment		36%	18%	0%	0%	25%	19%	4%	100%

Note: figures have been rounded to nearest whole percent

8 Need - Market Demand

- 8.1 This section of the Housing Strategy identifies the demand for new market housing, covering both owner occupation and private rental. This should be read in conjunction with the Arcadis viability / market analysis.

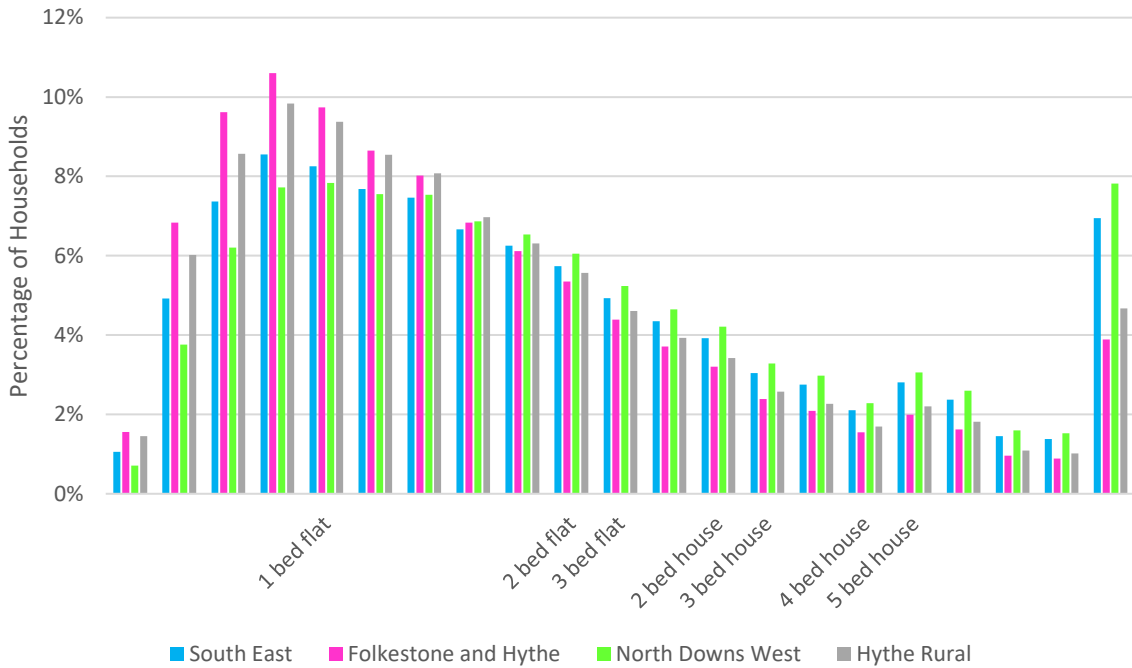
Methodology

- 8.2 The review for this segment starts with an assessment of local demographics, followed by an analysis of large market schemes coming forward in the local area. It then considers needs that are not being met by the market and housing market pressures.

Data Led Analysis

- 8.3 Key data sources to understand the private housing market are similar to those used to identify the wider affordable need. Firstly, the picture of worsening affordability set out in figure 7.2 also affects the private market and make it challenging for households to buy or rent larger properties.
- 8.4 Secondly, the CACI data set out in figure 7.3 identifies the household incomes of those living in the local area and wider region. This provides an insight into the types of home that the market could afford. It is notable that household incomes in Folkestone and Hythe are lower than the average across the wider South East region, with homes affordable to all buyers required to ensure there are homes to meet the demand of local buyers.
- 8.5 Figure 8.1 is a variation on figure 7.3 that identifies the proportion of households that could afford different market sale home types. Given that there is a large retired population, many of which will have pension income but be cash buyers, caution should be exercised about drawing direct conclusions about affordability. It does however give an indication of the affordability levels of younger households that are in employment.

Figure 8.1 – Market Sale Affordability (CACI 2019)



8.6 Lastly, the current age structure of the population provides an indication of the types of home that people will need. As a starting point it is assumed, those in the 18-30 age bracket are more likely to need individual homes. In the 20-50 age bracket people will be statistically more likely to need family homes. In the 65+ bracket people are more likely to need elderly accommodation or smaller homes, however many may wish to remain in larger properties.

Figure 8.2 – Age Distribution by Tenure of Households in Folkestone and Hythe (Census 2011)

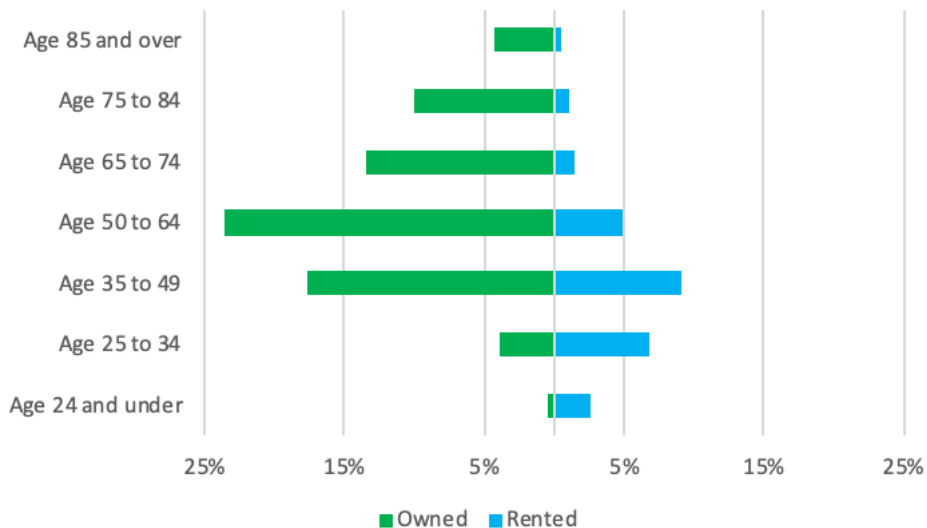
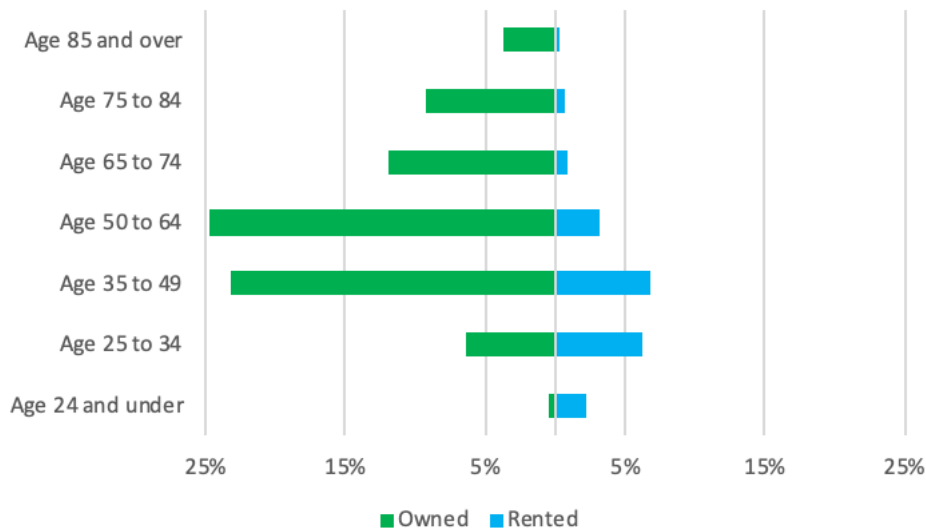


Figure 8.3 – Age Distribution by Tenure of Households in South East (Census 2011)



- 8.7 Comparing the results of figures 8.2 and 8.3 identifies that there is a greater proportion of rental in Folkestone and Hythe than the wider South East, which is particularly concentrated in the 24-49 age bracket. This suggests that affordability for first time buyers may be a challenge. There is also a greater proportion of elderly owner occupiers, which suggests that there will be a growing demand for elderly accommodation and properties suitable for downsizing.

Current Housing Mix and Market Delivery

- 8.8 In addition to demographic data, information on the overall current housing mix can provide an insight into the types of home that would make a suitable mix for the local market. Comparable schemes coming forward can also be used as a guide to market demand.

Existing Stock

- 8.9 Figure 8.4 sets out the current mix of market housing unit sizes in Folkestone and Hythe, Kent and the wider South East Region. The results of figures 8.4 and 8.5 show that the current market mix includes a full range of unit types in both the owner occupied and rental markets. The owner-occupied market includes a greater number of 2-4 bedroom homes, while the rental market includes a greater proportion of 1-3 bedroom homes.

Figure 8.4 Bedroom Mix of Private Owned Households (Census 2011)

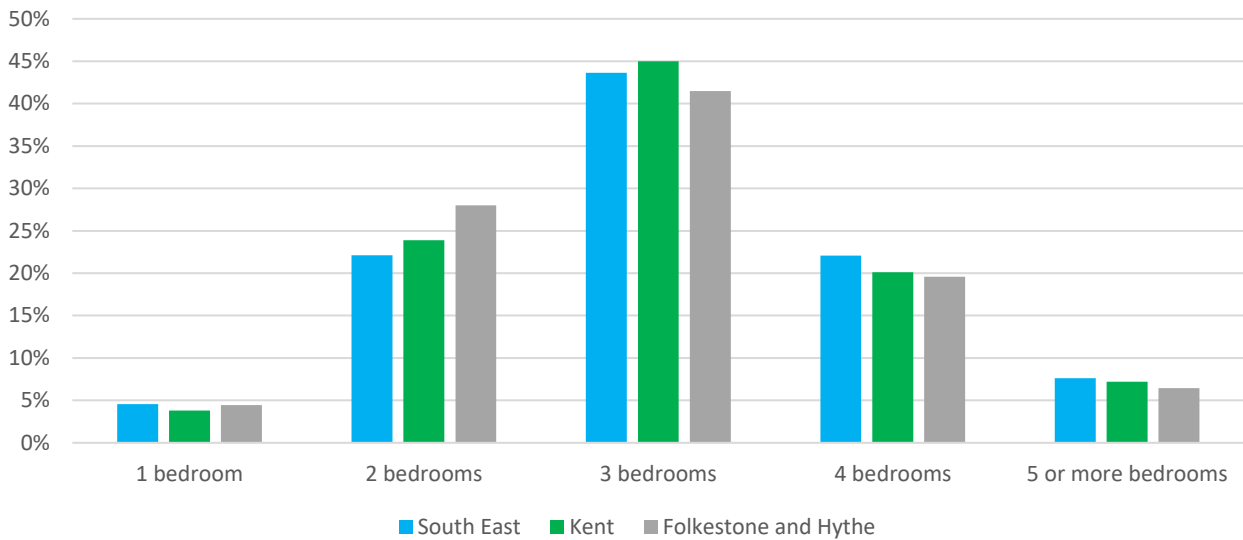
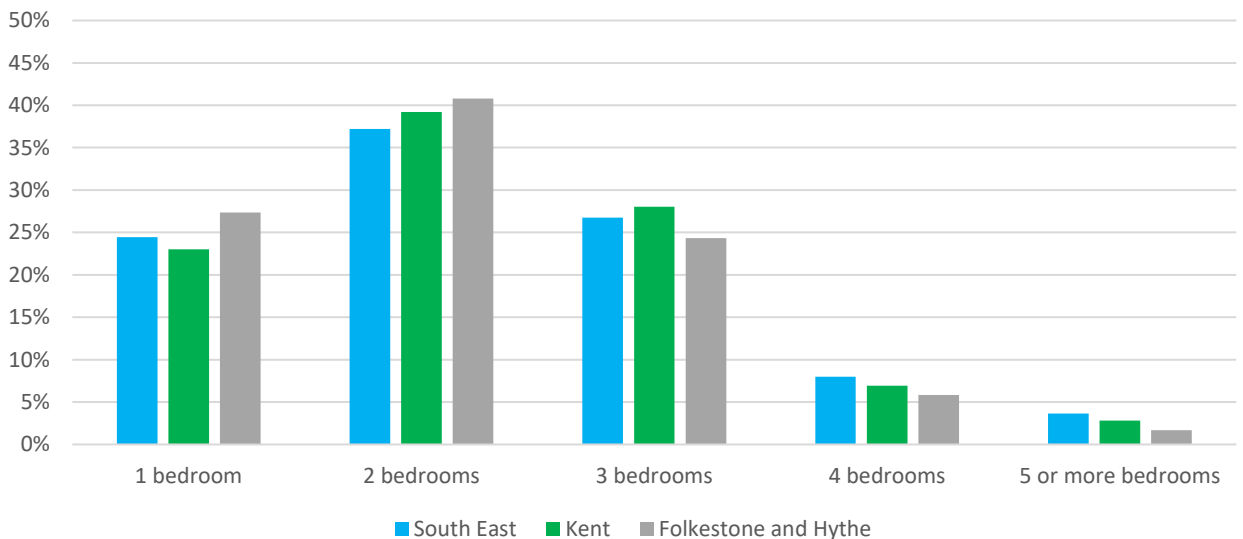


Figure 8.5 – Bedroom Mix of Private Rented Households (Census 2011)



8.10 As figure 7.5 sets out, overcrowding is an issue in the private rented sector (approximately 6% of households in FHDC), but much less so in homes that are owned (c.2%). This suggests that there may be an undersupply of larger homes for rent that means people are forced to stay in homes that do not met their needs.

8.11 Caution should be exercised when reviewing the current mix of stock as market needs may have changed from when the existing homes in the area were built.

Market Delivery

8.12 Table 8.1 sets out a selection of comparable schemes that are being brought forward in Folkestone and Hythe. This highlights the range of mixes, with larger and more central schemes accommodating a greater proportion of smaller homes. While currently a less central site than some of the comparable schemes, the scale of Otterpool, its connectivity and its placemaking will allow it to support a comparable number of smaller homes.

8.13 When recent scheme mixes are compared to the existing stock on the bottom row, a combination of the data from figures 8.3 and 8.4, new schemes are proposing a greater proportion of smaller homes. This includes a significant reduction on the number of 5 bed homes. This is likely due to decreased affordability and the growth in the number of smaller households.

Table 8.1 – Comparable Schemes

Schemes	Private Homes	% Houses	1 Bed	2 Bed	3 Bed	4 Bed	5 Bed
Shorncliffe Garrison Phases 1A and 1B	211	94%	0%	19%	53%	28%	0%
Ingles Meadow Garden Centre	40	90%	5%	5%	28%	60%	3%
Former Rotunda Amusement Park	84	29%	21%	45%	19%	14%	0%
Hawkinge Youth Adventure Centre	23	65%	35%	13%	43%	9%	0%
Blended	358	76%	8%	23%	41%	27%	0.3%
<i>2011 Census Stock in F&H</i>	-	-	9%	25%	40%	19%	7%
<i>2017 SHMA Owned</i>			4.8%	28.5%	39.1%	27.5%	
<i>2017 SHMA Rented</i>			20.2%	32.2%	31.0%	16.6%	

8.14 Again, caution is required with regard to this data. As highlighted by the Letwin review, developers can be conservative with the types of homes that they bring forward, with people buying due to lack of choice rather than the homes being optimal for their needs. A more diverse range of housing types may better meet needs and accelerate delivery. This is especially relevant in the context of the Garden Town, where other market led schemes are not on the same scale as Otterpool Park and do not share the same objective of making a sustainable new community. Judgement is therefore required in interpreting these similar schemes.

Wider Housing Market Considerations

Self-Build Register

8.15 The FHDC self-build register has 205 households on the list. The large majority would like a plot for a detached house, although there are a range of bedroom requirements as set out in table 8.2. The detailed data also identifies that 55% of applicants specified that they wanted to live in a town or village location and may therefore value a location within parts of the Garden Town.

Table 8.2 – Self Build Register Bedroom Mix

1 bedroom	2 bedroom	3 bedroom	4 bedroom	5+ bedroom
2%	15%	37%	40%	6%

Shaping a Sustainable Community

8.16 As for the wider affordable needs segment, the private needs segment has to be designed with a view to ensuring a sustainable community in the short and long term. This requires a diverse mix of housing types that accommodate the range of people needed to ensure a vibrant community and allow people to remain in the Garden Town all their lives. This translates to providing homes from 1 bed flats to 5 bed detached homes, even if this is not a mix that the market would typically provide.

Identified Need Conclusions

8.17 Table 8.3 sets out the conclusions from this segment.

Table 8.3 – Identified Need Conclusions

Source	Key Conclusions
House Price and VOA Data	<ul style="list-style-type: none"> Reduced affordability in both the owner occupied and private rented sectors highlights the role of smaller homes in ensuring all who wish to purchase have the ability to do so.
Caci Household Income Data	<ul style="list-style-type: none"> Household incomes in Folkestone and Hythe are generally lower than in the wider South East. These are used to sense check the proposed unit sizes.
Census	<ul style="list-style-type: none"> Younger households are overrepresented in the rental market in Folkestone and Hythe, suggesting affordability for first time buyers is a challenge. Owner occupied stock currently includes a range of unit sizes centred on 3 bed homes Rental stock is focused on 1, 2 and 3 bedroom homes, with a limited proportion of larger units. Overcrowding is identified as an issue within the private rented sector, suggesting an undersupply of suitable homes.
Comparable Schemes	<ul style="list-style-type: none"> Comparable schemes provide a guide for a suitable market facing mix that would maximise the profit on homes sold.

	<ul style="list-style-type: none"> • Current schemes have responded to market demand by providing a greater proportion of smaller units, Otterpool Park is considered to have similar capacity to the larger / more central schemes for smaller homes. • There is demand for flats, which the station will increase, with 15-20% being appropriate for the site as a whole.
Wider Considerations	<ul style="list-style-type: none"> • Self-build need covers a wide range of home sizes, not just larger homes. • A wide mix of housing types are required to ensure a sustainable community.

Segment Mix

8.18 The proposed mix to meet for the Market Demand segment is set out in table 8.4.

Table 8.4 Market Mix

Tenure	Type	Flats			Houses				Tenure % of Mix
		1 bed	2 bed	3 bed	2 bed	3 bed	4 bed	5+ bed	
Affordable Rent	Affordable								
Affordable Elderly	Affordable								
NHS Step Down	Affordable								
Intermediate Elderly	Intermediate								
Intermediate Rent	Intermediate								
Shared Ownership	Intermediate								
First Homes	Intermediate								
Live / Work	Intermediate								
Market Elderly	Market	50%	25%		25%				5%
CLT / Self Build	Market				17%	37%	40%	6%	5%
Sharer Accommodation	Market								
Build to Rent	Market	20%	20%		7.5%	43%	10%		15%
Market Sale	Market	18%	2.5%		22%	35%	20%	3%	75%
Overall Segment		19%	6%	0%	20%	34%	19%	2%	100%

9 Proposed Housing Mix

9.1 Having reviewed each segment of need (in sections 4-8 above), this section combines the identified requirements into an overall housing mix. In addition to the identified need, other factors are considered such as ensuring the mix is deliverable and will be suitable for occupants during early phases.

Needs Based Mix

9.2 With the segments of need combined, the cumulative mix that is arrived at is set out in table 9.1.

Table 9.1 – Cumulative Mix

Tenure	Type	Flats			Houses				Tenure % of Mix
		1 bed	2 bed	3 bed	2 bed	3 bed	4 bed	5+ bed	
Affordable Rent	Affordable	15%	18%			33%	28%	5%	8%
Affordable Elderly	Affordable	100%							1%
NHS Step Down	Affordable	100%							1%
Intermediate Elderly	Intermediate	100%							1%
Intermediate Rent	Intermediate	23%	25%	1%	3%	29%	15%	4%	4%
Shared Ownership	Intermediate	14%	16%		5%	33%	30%	3%	5%
First Homes	Intermediate	17%	17%		4%	29%	33%		1%
Live / Work	Intermediate		70%			15%	15%		1%
Market Elderly	Market	48%	23%		29%				3.9%
CLT / Self Build	Market				16%	35%	40%	8%	3.7%
Sharer Accommodation	Market	100%							0.6%
Build to Rent	Market	22%	23%		7%	37%	10%	1%	13.2%
Market Sale	Market	17%	3%		22%	35%	21%	3%	56.6%
Overall		21%	9%	0%	15%	32%	20%	3%	100%

Note: figures have been rounded to nearest whole percent

9.3 While the individual segments may accurately respond to their individual need, it is important to ensure that the overall mix will be sustainable and deliverable. Therefore, this mix has been reviewed “taking a step back”, with the following points also noted:

- **10% meeting the needs of elderly residents, including C2 homes** – the mix identifies 6% elderly homes, which is below the 10% policy target. It should be noted that in addition to these specialist products, market homes designed with elderly residents in mind (such as bungalows) can also be delivered to reach the 10% target.
- **10% affordable for sale** – the needs-based mix reaches 6.5% affordable homes for sale, which is below the NPPF target of 10%. The flexibility in the proposed parameters will allow this level to be reached if this becomes appropriate to meet housing needs across the life of the scheme.

Application Parameters

- 9.4 A sufficient degree of flexibility either side of the needs-based mix is required for the application to accommodate changing circumstances within a framework. This approach is important to allow future phases to respond to changes in need as the scheme is brought forward across a time period of approximately 20 years. Parameters are therefore set out in tables 9.2 and 9.3. The needs-based mix has been used as a starting point for the illustrative scheme, which incorporates adjustments to align to policy on elderly provision.
- 9.5 On overarching requirement is that the affordable/intermediate component of the overall mix should be no less than 22% by unit.

Table 9.2 – Tenure Mix

Tenure	Type	Minimum Parameter	Maximum Parameter
Affordable Rent	Affordable	10%	15%
Affordable Elderly	Affordable		5%
NHS Step Down	Affordable		1%
Intermediate Elderly	Intermediate	8%	15%
Intermediate Rent	Intermediate		
Shared Ownership	Intermediate		
First Homes	Intermediate	0%	6%
Live / Work	Intermediate	0%	2%

Note – Elderly could take the form of C2 or C3 accommodation

Table 9.3 – Bedroom Mix

Tenure	Max 1 Beds	Min 3 Bed or larger
Affordable Rent	15%	60%
Affordable Elderly	100%	-
NHS Step Down	100%	-
Intermediate Elderly	100%	-
Intermediate Rent	30%	45%
Shared Ownership	25%	55%
First Homes	25%	55%
Live / Work	25%	-
Market Elderly	75%	-
CLT / Self Build	-	55%
Sharer	100%	-
Build to Rent	25%	30%
Market Sale	25%	50%

Affordability

- 9.6 Affordability has been considered within each segment, and at the combined mix review stage. The affordability levels used to inform this are set out in Appendix A. This matrix sets out the affordability

level of several of the key proposed tenures, to illustrate how the needs of a wide range of incomes will be met.

10 Delivery

10.1 This section addresses key delivery considerations to ensure that the proposed homes can be successfully delivered, aligned to the conclusions of this Housing Strategy.

Delivery Considerations

Overall Capacity

10.2 The new garden settlement allocation allows for an overall development capacity of up to 10,000 homes. The Otterpool Park OPA proposes the first 8,500 of the homes to come forward within the new garden settlement. This is used as a starting point for the overall housing mix, which is then allocated between the different tenures and types of homes to meet the identified need. As there is this limit to the total scale of development, the proposed mix must balance the different requirements within this overall ceiling.

Accelerating Delivery

10.3 The diversified tenure mix and potential for multiple outlets will be key for accelerating delivery of the homes.

Monitoring

10.4 From a development management perspective a tool to monitor build out would help ensure clarity over the development's ongoing compliance. Provision for the developer to provide a housing scheme at relevant points, demonstrating compliance with the overall scheme requirements, will therefore be secured.

Viability

10.5 Viability of the proposed development, especially during market downturns, is important to ensure that the project can complete. Testing by the applicant's advisors has confirmed that the values from the proposed housing mix (accounting for the ranges suggested in the parameters) ensure the scheme is deliverable.

Local Lettings

10.6 Local Letting schemes can ensure that local people are prioritised for a proportion of the new homes on the site. This provision is important to integration of the community with adjoining areas and will therefore be secured.

Community Led Housing / Community Land Trust

10.7 Community Land Trusts are gaining interest and can enable effectively managed long-term affordable homes. Delivery models for CLTs vary and will be considered as the scheme progresses.

Securing the Proposed Housing Mix

10.8 The permission should secure the following to ensure that the scheme is delivered as planned, while enabling sufficient flexibility to respond to changing needs over the lifetime of the scheme.

Outline Application Fixes

Scheme wide proportion of affordable homes

10.9 The overall proportion of affordable housing delivered within the Outline Application should be at least 22% by unit. The remainder of the homes shall be a mixture of private sale, including the potential for Build to Rent homes.

Scheme wide min/max parameters for each tenure

10.10 An illustrative scheme tenure mix has been produced based on the research set out in this Housing Strategy. The parameters set out either side of this in table 9.2 will give flexibility for the scheme to respond to changes in need as it is brought forward over several years. The scheme should be delivered between the minimum and maximum parameters.

Scheme wide unit size parameters

10.11 The parameters set in table 9.3 are the basis for the overall delivery of unit sizes, by tenure, across the overall Outline Application. The figures below allow a reasonable degree of flexibility from the illustrative scheme.

Scheme wide affordable phasing

10.12 A minimum of 22% of all homes will be affordable housing and a minimum of 10% of all homes will be for affordable or social rent. Due to the significant infrastructure requirements of the development however, flexibility is sought for varying levels of affordable housing to be delivered for different parts of the site. An allowance for deviation from the site-wide mix is proposed within each phase to ensure adherence to the overall housing mix whilst enabling phased flexibility to reflect phase specific and market considerations at the point of delivery.

Affordable delivery and market occupation restrictions

10.13 No more than 60% of private homes in each plot to be occupied until 60% of the approved affordable homes are delivered on that plot, where applicable.

10.14 No more than 90% of private homes in each plot to be occupied until 100% of the approved affordable homes are delivered on that plot, where applicable.

Build to Rent

10.15 For any RMAs including Build to Rent, the following restrictions are proposed:

- the length of term for each letting will be a minimum of 1-3 years at the resident's choice, with an automatic right to renew
- all rent increases shall be in line with an index that is communicated to the tenant at the start of the new occupancy
- shall not require upfront fees to be paid
- shall be managed by a single property manager which:
 - provides consistent and quality level of management
 - has some daily staff presence at the site
 - is part of an accredited ombudsmen scheme

- has a complaints procedure

Proposed allocations process / nominations rights

10.16 A process will be set out for allocating homes. This will include:

- For a proportion of homes - an initial marketing / letting period for local residents, or those working in keyworker roles
- A secondary period for those that work/live in Folkestone and Hythe
- The homes can then be marketed to any households

Affordability / rent controls for affordable homes

10.17 Affordable homes should have controls in place to ensure affordability:

- Affordable Homes – Set based on Rent Standard
- Intermediate Rent – up to 80% of market rent, £80,000 income cap
- Shared Ownership - £80,000 income cap

Wheelchair Housing

10.18 10% of homes (aligned to the elderly homes) shall be built to meet M4(3) Category 3: Wheelchair User Dwelling standards as set out in Building Regulations; and

10.19 The remaining 90 per cent of homes shall be built to meet M4(2) Category 2: Accessible and Adaptable Dwellings as set out in Building Regulations

Exploring self-build

10.20 A self-build / custom scheme for the site shall be submitted to the local authority setting out:

- Self/Custom Build Action Plan (and phase updates)
- Monitoring arrangements
- Arrangements for plot passports where relevant

10.21 The self-build / custom scheme shall be updated as RMAs are submitted for a new Development Area.

Exploring community led housing

10.22 An engagement strategy shall be submitted prior to the occupation of each 2,000 homes setting out how Community Led Housing will be explored, enabling opportunities to be identified and delivered.

Space standards

10.23 All the homes shall be built to national space standards.

Monitoring requirements

- 10.24 A Housing Scheme will be maintained. This will be updated with the details of future Phases and Plot RMAs to ensure that the housing that is delivered complies with the requirements that are agreed. The council will have the ability to approve the housing scheme, or reject it, if it does not demonstrate that the various parameters will be met. The Housing Scheme can be used to verify the details of housing compliance statements that are submitted with each plot RMA.

Phase Fixes

- 10.25 The permission will secure the following actions to be taken at the development of each phase, ensuring that the Outline Application fixes are complied with. These actions will further detail the housing mix.

Local needs survey to be completed

- 10.26 A local need survey will be conducted before each 2,000 homes are occupied to ensure that a portion of the proposed housing responds to the local needs at the time. The survey will cover the area used for the original housing needs survey.

Housing strategy to be provided

- 10.27 For each phase a housing strategy will be produced. Within this document the proposed phase unit mix, bedroom mix and tenure mix must be set out and comply with the Outline Application housing scheme parameters.

Affordable housing location plan

- 10.28 The homes should be distributed evenly across each phase and be tenure blind with the private homes.

Plot Reserved Matters Application Fixes

- 10.29 The permission will require the following points to be part of any reserved matters application, and in compliance with the Phase Fixes:

Plot tenure mix

- 10.30 The tenure mix for the proposed development on each plot.

Plot unit type mix

- 10.31 The proposed mix of flats/houses and bedrooms split by tenure.

Monitoring requirements

- 10.32 A housing compliance statement should be provided, setting out how the proposed plot housing mix complies with the Outline Application and Phase requirements.

Conclusion

- 10.33 This section has demonstrated how the strategy developed in the sections 2-9 will be secured, delivered and monitored as the development is brought forward.

Appendix A

			Income Required													
			£15,000	£20,000	£25,000	£30,000	£35,000	£40,000	£45,000	£50,000	£55,000	£60,000	£65,000	£70,000	£75,000	£80,000+
Type of Home	1 Bed Apartment	Social Rent			Intermediate Elderly	Shared Ownership @ 25% Share	First Home	Market Sale								
		Affordable Rent Elderly		Discount Market Rent @ 80%	BIR		Market Elderly									
	2 Bed Apartment	Social Rent				Live / Work @ 80%	Shared Ownership @ 25% Share	First Home	Market Sale							
				Discount Market Rent @ 80%	BIR		Market Elderly									
	3 Bed Apartment					Discount Market Rent @ 80%		BIR								
	2 Bed House	Social Rent				Discount Market Rent @ 80%	Shared Ownership @ 25% Share		First Home	Market Sale						
						BIR		Market Elderly								
3 Bed House	Social Rent				Live / Work @ 80%	Shared Ownership @ 25% Share		First Home	Market Sale							
					Discount Market Rent @ 80%	BIR										
4 Bed House	Social Rent		Sharer (1 bedroom in 4 bed home)					Shared Ownership @ 25% Share	Discount Market Rent @ 80%		BIR	Market Sale				
									Live / Work @ 80%		First Home					
5 Bed House	Social Rent									Shared Ownership @ 25% Share			BIR		Market Sale	

Note: Self Build will also form part of the mix, meeting a range of affordability levels