

Home Builders Federation

Matter 8

FOLKESTONE AND HYTHE LOCAL PLAN EXAMINATION

Matter 8 – The supply and delivery of housing land

Issue

Whether the approach towards the supply and delivery of housing land is positively prepared, justified, effective and consistent with national policy.

Questions

1) What is the estimated total supply of new housing in the plan period 2019/20-2036/37?

For council.

2) What is the estimated supply from each source for the plan period? What is the evidence to support this and are the estimates justified?

Our main concern with regard to estimated supply is with regard to the proposed Garden Village. As stated in our representations the HBF welcomes the allocation of strategic sites that will provide a long-term supply of housing land within the Borough. However, the Council are expecting this site to come on-line by 2022/23 and maintain a high level of delivery across the plan period, both of which are not supported by the evidence from similar schemes across the Country. We note that the Council in its response to the Inspector's initial questions (EX004) state that the promoter is reassessing housing delivery rates for the new garden settlement. The Council's response outlines that the promoter is looking at different aspects of the development such as tenure, mix and outlets to better assess rates of delivery. Whilst all these aspects can have an impact on delivery robust evidence is needed that adjusting these variables can ensure delivery in the suggested timeframes and at the expected rates. We hope the new evidence will address our current concerns, which are set out briefly below.

Delivery by 2022/23



We consider the current expectation for development at the proposed garden village to commence by 2022/23 to be optimistic. Evidence on delivery timescales and rates of delivery are helpfully set out by Lichfields in the second edition of their 'Start to Finish'¹ report published earlier this year. This shows that from the point at which an outline application is validated it will take on average 5 to 8 years for the first home to be delivered. On the basis that the outline permission for Otterpool Park was submitted in February 2019 the evidence suggests that the first home will not be delivered until 2024 at the earliest. We recognise that earlier delivery may be possible, but this would be the exception and not the norm and evidence must be provided as to how the Council will ensure development commences within stated timeframes.

Delivery rates

Whilst delivery at such high rates is possible the evidence suggests that sustaining these rates is unlikely. Again, the evidence in Start to Finish report shows that the average delivery from developments of over 2,000 dwellings assessed in the study was 160 dpa with the highest site average delivering 286 dpa. The report also outlines on page 11 that the new settlement at Cambourne in Cambridgeshire delivered 620 homes at its peak but that was significantly higher than the 223 dpa average for the scheme as a whole. Given that Cambridge is in a strong housing market with substantial demand it is very ambitious to expect Otterpool Park to deliver at an average of 395 dpa. We recognise that all developments are unique, and some can deliver at higher rates, but it is important that estimates are realistic. Overly optimistic expectations, especially where there is an over reliance on one site to meet needs, means that if delivery is not as expected the plan will not deliver the homes required.

Conclusions on delivery across the plan period

What is clearly evident within the delivery trajectory provided by the Council in Appendix 1 of EX004 is that there is no plan B should there be any delays in the delivery of Otterpool Park or that homes at this new settlement do not come forward at the pace expected. Overall housing need for the plan period proposed by the Council is 13,284 dwellings, expected delivery is 13,476, a mere 192 homes more than supply. There is no flexibility in the plan with no allowance for unforeseen circumstances. For example, should the new settlement be delayed by a single year, not uncommon when delivering new communities, the plan will not meet its minimum requirement.

By choosing to have 43% of delivery coming from just one allocation places the plan at greater risk of failing to achieve its objectives with regard to meeting housing needs. This risk is intensified due to the ambitious delivery expectations for this settlement. The current lack of a plan b with regard to housing delivery raises questions as to whether the plan is consistent with paragraph 11 of the NPPF which requires them to be sufficiently flexible to adapt to rapid change. To address the inherent risks in the proposed spatial strategy we would suggest that the following adjustments are

¹ Start to Finish (Second Edition) (Lichfields, 2020) <https://lichfields.uk/content/insights/start-to-finish>

considered. Firstly, the Council must set out a more realistic estimate of delivery on the new garden village that reflects experiences of delivering such schemes elsewhere and then identifies alternative sites to meet needs that are unlikely to be met within the plan period by the new settlement.

Secondly the Council must allocate land to ensure delivery well above the stated housing requirement if it is to ensure it meets this minimum. The NPPF is clear that plans should be positively prepared, aspirational, and significantly boost housing supply. Housing requirements set within local plans are the minimum requirements, therefore, a plan that is positively prepared should seek to surpass this minimum to ensure its objectives are achieved. Allocating land to meet needs over and above the requirement also ensures the necessary flexibility that, as mentioned earlier, is a requirement in paragraph 11 of the NPPF. In order to ensure the plan is positively prepared and has sufficient flexibility, we suggest that the Council allocate land to ensure a 20% buffer above the planned requirement across the plan period.

3) What is the requirement for the first five years and what buffer should be applied?

The housing requirement for the first five years of the plan on adoption should be 3,690 homes plus, as we outlined in our statements to matter 3, any backlog in delivery from 2018/19 and 2019/20 (assuming the plan is adopted in 2020/21). On the basis of estimated delivery for these two years as set out in the EX004 and the latest AMR there would be shortfall of 620 (477 in 2018/19 and 143 in 2019/20). As such the requirement for the first five years of the plan should be 4,310.

On the basis of the Housing Delivery Test the Council will need to apply a 5% buffer on adoption increasing the five-year housing supply requirement on adoption to 4,526 dwellings. The Council's evidence on supply indicates that 4,686 homes will be delivered in this period which means the Council will have a 5.0-year land supply on adoption if its expectations are accurate, which, as set out above, we do not consider to be the case.

4) What is the estimated total supply of specific deliverable sites for this period?

This is for the Council to answer.

5) What is the estimated supply from each source for this?

This is for the Council to answer.

6) What is the evidence to support this and are the estimates justified?

This is for the Council to answer.

7) What is the estimated total supply of specific developable sites or broad locations for growth for years 6-10 and 11-15?

This is for the Council to answer.

8) What is the estimated supply from each source for this?

This is for the Council to answer.

9) What is the evidence to support this and are the estimates justified?

With regard to the longer-term delivery it seems from the Council's answers to the inspector's initial questions that further evidence as to the rate at which the new settlement will deliver new homes is being prepared. As set out above we are concerned that the current delivery estimates are optimistic and hope that these concerns are addressed.

10) Overall, would at least 10% of the housing requirement/target be met on sites no larger than one hectare?

This for the Council to answer. However, if there is insufficient supply on sites no larger than one hectare then the Council will need to identify additional sites for allocation.

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