

Sent by email to: planning.policy@ashford.gov.uk

31/09/2017

Dear Sir/ Madam

Response by the House Builders Federation to the Ashford Local Plan – Main Changes

Thank you for consulting the Home Builders Federation (HBF) on these “Main Changes” to the Ashford Local Plan. The HBF is the principal representative body of the housebuilding industry in England and Wales and our representations reflect the views of discussions with our membership of national and multinational corporations through to regional developers and small local housebuilders. Our members account for over 80% of all new housing built in England and Wales in any one year.

We are pleased to see the Council has looked to address some of our concerns since the publication of the first submission plan such as the inclusion of an increased uplift to OAN to take account of changing migratory patterns between London and the wider South East. Given the strong transport links between the Capital and Ashford we think this is a positive step. We are also pleased to see the Council look to diversify its delivery of development with more sites allocated in rural areas. This means that there are a greater range sites in terms of both location and size being allocated. However there remain several key concerns that continue to impact on the soundness of the Local Plan that the main changes have not addressed. These are set out below.

MC4- changes to policy SP2

Policy SP2 remains unsound as the housing requirement is not sufficiently justified and the approach to delivery is ineffective and unjustified.

We consider the Council’s decision to update the their OAN to reflect the 2014 based Sub National Population Projections and DCLG Household Projections to be correct and as outlined above we are also pleased to see that the Council has looked to consider the changing migratory patterns between the Borough and London and increase delivery by a further 442 homes over the plan period. This, alongside the 5% uplift to take account of market signals increases OAN to 848 dpa. However, we remain concerned by many issues present in new wording for policy SP2 that we consider make the policy unsound. These are:

- that insufficient account has been taken about market signals and as such this does not provide the necessary boost to housing supply that is required by the NPPF; and
- the approach to considering the 5-year land supply is ineffective and unjustified.

Consideration of market signals

Our concerns regarding market signals have not been addressed through the changes to SP2. The evidence clearly points to a more significant uplift than the 5% being proposed by the Council. The lower quartile income to house price ratio stands at 9.60 and whilst lower than Maidstone and Tonbridge and Malling is still significantly higher than national averages. This ratio has also increased from 8.50 since 2013 as house prices have increased during the same period. Whilst we recognise that the affordability of rental values in the area are not as serious we still consider these indicators taken a represent a significant problem of affordability. The Local Plans Expert Group considered that the level of affordability seen in Ashford would require uplifts on baseline need of 25%. Elsewhere in the Wider South East, we have seen authorities in a similar position to Ashford where far higher uplifts were considered necessary. Braintree for example has an affordability ratio of 9.58 and is applying a 15% uplift on its baseline OAN even though Braintree's past delivery had been significantly better than Ashford's.

Past delivery would also suggest that there is a need for a more significant uplift. Ashford's supply was consistently well below the SE Plan target of 1135 between 2006 and its abolition in 2011. Since then delivery has only risen above the OAN in the most recent monitoring year. Table 1 shows that there has been a clear failure to plan either for needs or housing targets which will have contributed to increases in house prices as demand outstrips supply. The PPG states that *"If the historic rate of development shows that actual supply falls below planned supply, future supply should be increased to reflect the likelihood of under-delivery of a plan"*, we consider it a necessity that the Council increase supply as there is a clear risk of under delivery in future based on past performance.

Table 1: Ashford BC - Delivery against targets and OAN

Year	SEP Target/ 2017 SHMA OAN	Delivery (from 2015/16 AMR)
2006/07	1135	359
2007/08	1135	566
2008/09	1135	536
2009/10	1135	501
2010/11	1135	555
2011/12	825	633
2012/13	825	284
2013/14	825	137
2014/15	825	405
2015/16	825	1022

The Council has attempted to justify its low market signals uplift on the basis that if it were higher it would go beyond the levels of delivery that have been achieved in the past. Whilst we recognise that any uplift must be reasonable, to limit growth in on this basis is not appropriate and not supported by guidance. Delivery in the past will have been shaped by the targets, policies and delivery aspirations at the time and future

housing requirements should not be limited on this basis. If we are to address the housing crisis the requirements set by Local Planning Authorities need to be challenging and, where necessary and appropriate, go beyond past delivery rates. The approach taken in the SHMA would seek to limit housing delivery on the basis of past performance rather than boost supply and plan innovatively for that higher housing requirement. Given the evidence provided in the SHMA we continue to consider it necessary for the Council to apply an uplift of 20% to take account of market signals. This would be applied to the baseline need of 786 and lead to an OAN of 943 dpa. In addition, the uplift to take account of additional migration from London of 34 dpa would result in a full OAN of 977 dpa.

Land supply

As outlined earlier the Council have clearly taken steps to improve the supply of development land in the Borough. We support the increase in allocations not only in the urban area but also in rural settlements. These new allocations provide a range of different sites both in term of location and size. We also welcome the fact that the Council have looked to introduce their own buffer within the supply of land by allocating sites that, with windfall take delivery for the remainder of the plan to 14,029 dwellings, 1,086 dwellings beyond the Council's residual requirement of 12,493 for the period 2017 to 2030.

However, we remained concerned, as set out in our representation to the 2016 Local Plan consultation, that the Council is running out of time to deliver all these sites during the plan period. It is likely that the plan will not be adopted until 2018/19. This leaves only 11 full years in which to ensure the major allocations in the plan to be granted planning permission and then the site to be built out. Whilst this is not impossible there is clearly a significant risk that the plan is not deliverable should there be a delay in the planning and delivery of these sites. We are therefore concerned that the Council has insufficient time to address these issues given the limited time remaining on the plan.

To address these concerns additional allocations in the more sustainable rural settlements may be necessary to ensure a consistent supply of land. One example we highlighted in our previous representation was that of Tenterden. This settlement is the second largest town in the Borough after Ashford. Prior to the main changes only 175 homes were allocated to Tenterden, this has now been increased slightly but we still consider this to be inadequate and disproportionately small compared to Ashford's allocation. Therefore, whilst there has been an increase in allocations outside of Ashford there are clearly settlements that could contribute more to ensure a balanced and deliverable approach to development given the short delivery timescales the Council has set itself.

Alongside concerns over the deliverability of the whole plan we do not consider that the Council are able to show a five-year housing land supply using the approach required by the PPG. The Council indicates in the amend policy SP2 that it will continue to use the Liverpool methodology when assessing its five-year housing land supply. However, PPG is clear that any backlog resulting from under delivery during the plan period should where possible be addressed during the plan period. This position means that

the Council would need very sound reasons for not adhering to government guidance. The Council's reasons for using this approach are to “ensure the integrity of the Council's strategy for addressing the short fall in a sustainable way” and “that unrealistic housing completions are not required from the start of the plan”. We do not consider this reason to be appropriate.

The reason for such a significant shortfall has been due to the lack of progress made by the Council in allocating sites to meet housing needs and its strategy which has limited the number of sites that have come forward in the past. Changing the required approach to meeting backlog to make the strategy sound is not supported by national policy or guidance. The strategy taken by the Council should have looked to address backlog in the manner set out in guidance. By not taking this approach and meeting backlog throughout the plan period the strategy cannot be considered sound as it is not consistent with national policy. In addition, the Council say that the higher housing completions required to meet backlog in the first five years are not needed from the start of the plan - this is not supported by the evidence. The Council has significant back log of 2123 homes already in this plan period as well as under delivering in the 5 years before 2011 against its South-East Plan target. The 2123 backlog in delivery are homes that have been identified as being required for the 2011 2017 period and as such are needed now. To delay delivery places more pressure on housing market already under considerable pressure and to delay delivery as suggested is unjustified.

This level of under delivery, as can be seen in Table 1 above, also points towards a 20% buffer on housing supply being implemented when considering the Council's five-year housing land supply. Since 2006 there has been a significant shortfall each year in the delivery of new homes against either planned targets or OAN. We would consider this to be persistent under delivery with only one year being above expectations. It would also seem that the Council support this position. As part of a recent appeal (Ref: APP/E2205/W/16/3159895) the Council agreed a statement of common ground recognising that when assessing 5 years supply a 20% buffer should be used and that the backlog should be addressed within 5 years. Therefore, if the PPG is applied correctly with the backlog addressed within 5 years and a 20% buffer the Council, from 2018/19 would only show a 3.9-year housing land supply between 2018 and 2023 as set out in Table 2 below.

Table 2: Assessment of Ashford BC 5-year housing land supply

	Liverpool method with 5% buffer	Liverpool with 20% buffer	Sedgefield with 5%	Sedgefield with 20%
Basic five-year requirement 2018/19 to 2022/23	4242	4242	4242	4242
Backlog	885	885	2123	2123

Total 5 year requirement 2018/19 – 2022/23	5127	5127	6365	6365
Buffer applied	5383	6152	6683	7638
Supply 2018/19 to 2022/23	7139	7139	7139	7139
Surplus/shortfall	1756	987	456	-499
Years supply in first five years	9.0	7.3	6.0	3.9

HOU1 – Affordable housing

The percentage of affordable housing the proposed thresholds are unsound because they are unjustified and are not consistent with national policy

Firstly, the threshold for requiring affordable housing contributions is not consistent with national policy. PPG clearly sets out in paragraph 031 (Ref ID: 23b-031-20161116) that contributions should not be collected on development of 10 or fewer homes where the gross floor space is no more than 1000 sqm. As such the policy is not consistent with national policy and should be amended accordingly.

Secondly, we remain concerned that the rates of affordable housing being proposed in conjunction with other local plan policies could lead to some key sites being unviable leading to questions of the deliverability of the housing requirement. Whilst we note that additional work has been undertaken this new evidence suggests that some allocations will have weaker viability resulting from the proposed changes. As such we continue to consider, as set out in our response to the 2016 consultation that this policy remains unjustified. To make the policy sound there may be a need to scale back contributions on specific allocations and potentially across Ashford Town Centre.

HOU3a – Residential Windfall developments

The policy is unsound because it is not effective and inconsistent with national policy

Given the reliance on the delivery of windfall development in meeting the Council's housing requirement we consider this policy to be overly restrictive and will potentially limit the number of sites that can come forward. This is largely due to the lack of clarity that is provided in the policy that will make it difficult for the applicant or decision maker to ensure consistent outcomes through the application of this policy. For example, part c states that development should not result in the significant harm to or the loss of public or private land that positively contributes to the local character of the area. This element of the policy could be used to stifle development given that it is a completely subjective consideration both in terms of what constitutes harm and how land contributes positively to character.

Similarly part b of this policy fails to set out the specific amenities that existing residents should have protected from new development. These policies are completely subjective and contrary to paragraph 17 of the NPPF does not provide a practical framework that supports predictable and efficient decision making. Finally, part h is not consistent with national policy. The NPPF outlines in paragraph 74 the circumstances in which a sports or recreational building or land can be displaced by an alternative use. These include the provision of replacement facilities or where such land is surplus to requirements.

This policy needs to be amended to set out where development will be permitted as much as where the Council will seek to restrict it. As stated earlier the Council is reliant on a large amount of annual windfall to meet their housing requirement we consider the approach taken with this policy and its negative wording does not support this. Its approach is not consistent with national policy and must be either be comprehensively reworded or deleted.

HOU5 - Housing Development outside of Settlements

The policy is unsound because it is ineffective.

The policy places so many conditions on development that it will effectively act as a brake on any development in the countryside. In view of the Council's poor track record it needs to make more allocations rather than relying on windfalls, which this policy will make extremely difficult.

Conclusion

For the Ashford Local Plan to be found sound it must pass the four tests set out in paragraph 182 of the NPPF. Whilst the changes made to the Local Plan following the initial pre-submission consultation have made some improvements we are still have significant concerns regarding the soundness of these policies. At present, we consider these policies remain unsound due to:

- Under-estimation of objectively assessed housing needs
- Approach to planning obligations for affordable housing not consistent with national policy
- Policies relating to windfall development that are inconsistent with national policy and the Council's expectations regarding the number of homes that will be delivered as windfall.

We hope these representations are of assistance in taking the plan forward to the next stage of plan preparation and examination. I would also like to express my interest in attending any relevant hearing sessions at the Examination in Public. Should you require any further clarification on the issues raised in this representation please contact me.

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Yours faithfully

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