

## Home Builders Federation

### Matter 2

#### TUNBRIDGE WELLS LOCAL PLAN EXAMINATION

#### Matter 2 – Housing and employment needs (Policy STR1)

#### Issue 1 – Housing Needs and the Housing Requirement

Q1. What is the minimum number of new homes needed over the plan period as calculated using the standard method? Are the calculations accurate and do they reflect the methodology and advice in the national Planning Practice Guidance ('the PPG')?

The first step in the application of the standard method requires the Council to set the baseline level of annual housing growth. This baseline is calculated by taking the average growth for a ten-year period using the 2014-based household projections. The Council have used the period 2020 to 2030 and this results in a baseline need of 484 dwellings per annum. The second step is for the affordability adjustment to be applied. Using the formula set out in Planning Practice Guidance and the most recent median affordability ratio at the time of submission results in an adjustment factor of 1.58. This results in an uncapped local housing needs assessment of 765. The final stage is to consider the cap. For Tunbridge Wells the cap is set at 40% above the average household growth for the ten-year base period as this is higher than the requirement in their most recent plan. As such the minimum requirement for Tunbridge Wells is 678 dwellings per annum.

Q2. Are there any exceptional circumstances which justify an alternative approach to using the standard method? If so, what are they, and what should the housing requirement be?

The HBF do not consider there to be any exceptional circumstances warranting an alternative approach to the standard method.

Q3. In addition to the local housing need figure for Tunbridge Wells, should the Plan also make provision for housing needs that cannot be met in neighbouring areas? If so, what should that figure be?

Yes. The Council state at paragraph 61 and 62 of their response to the stage 1 Matters, Issues and Questions that at present there is no unmet need within the West Kent



Housing Market Area on the basis that the Sevenoaks Local Plan has been found unsound and that a new local plan for that area will need to be prepared. The latest Statement of Common Ground between the two areas notes that the request to address the unmet needs from Sevenoaks District Council (SDC) has not been withdrawn but the request and the figure of 1,800 units cannot be relied on. This would suggest that there are likely to be unmet needs given the constraints faced by Sevenoaks, but a precise figure cannot be provided on the basis that SDC will need to prepare a new plan. Given that SDC's request has not been withdrawn the 1,800-home shortfall in the SDC request is still relevant and a material consideration with regard to the housing requirement in this local plan.

In addition to unmet needs in the HMA, there are, as we set out in our representations, substantial unmet needs arising from the London Plan and the Council should have adopted a higher housing requirement in order to meet some of these needs. It must be remembered that housing targets in the London Plan reflect what can be delivered rather than the Mayor's assessment as to what is needed to address shortfalls and future needs arising between 2018 and 2028. Even if the targets in the London Plan are met this will, according to the Panel's report the London Plan, still leave a shortfall of around 140,000 homes.

We understand the difficulties surrounding how the unmet needs of London can be addressed. However, with no regional framework in place across the SE to try and address this matter it is the responsibility of individual authorities to take responsibility. What is clear in the London Plan is that the Mayor of London was seeking support from the rest of the south east to help meet identified unmet need for housing. This is clearly set out in paragraph 2.3.4 which states "*... the Mayor is interested in working with willing partners beyond London to explore if there is potential to accommodate more growth in sustainable locations outside the capital*". So, whilst there may have not been a direct plea for assistance there was a clear request to all Councils in the South East and East of England for support that TWBC will have been aware of from its engagement with the mayor as mentioned at the stage 1 hearings. This request and the scale of the unmet need in London should have formed part of the considerations on housing needs and the housing requirement.

This level of unmet need in London will inevitably place further pressure on Tunbridge Wells and the wider housing market within which it sits. The Council's Review of Local Housing Needs (CD3.75) and Housing Needs Assessment (2018) (CD3.79) the borough's accessibility and transport links to London and that there is significant demand from families in the capital. Whilst the conclusion of this report is that an increase in supply in Tunbridge Wells alone is unlikely to have an impact it does recognise that a wider supply response is required across the wider South East this does not mean that Tunbridge Wells should not increase supply in response to unmet needs in the capital.

In the absence of a strategic response by Council in the South East to London's unmet needs the HBF considers it the responsibility of individual authorities to respond to these concerns. As such a strategy to meet some of these needs should have been

considered rather than discounted relatively early in the plan making process with the dismissal of growth strategies 10 and 11 which looked to meet needs beyond the minimum requirement established using the standard method.

In terms of how many homes should be considered appropriate we would recommend that the level of unmet need in the capital would certainly justify the Council planning to deliver against its uncapped housing figure (option 10) or the uncapped figure plus an allowance for unmet needs (option 11). The Council note both the positive and negative impacts of these strategies but do not take these further to consider the degree to which the negatives could be mitigated. There are clearly opportunities to sustainably deliver the level of development in growth strategies 10 and 11 and the Council should have considered how these options could have been delivered in order to support meeting the unmet needs of other areas.

Q4. Will the plan period look ahead over a minimum 15-year period from adoption, as required by paragraph 22 of the Framework?

If the local plan is adopted in the monitoring year 2022/23 then the plan will have a plan period of 15 years. However, if the plan is adopted in the following monitoring year, then the plan will have less than 15 years from the point of adoption.

Q5. Do policies relating to the Green Belt and/or the High Weald AONB provide a strong reason for restricting the scale of development in Tunbridge Wells?

No. The Government places great weight on Councils ensuring that their local plans meet the development needs of their areas as well as ensuring that land designated as Green Belt and AONB is protected. However, it is also recognised in national policy that these designations are not absolute barriers to development when preparing a local plan but matters to be given significant weight in determining the spatial strategy to be taken forward. As the Council note in paragraphs 6.14 and 6.15 of the Development Strategy Topic Paper (CD3.64) the NPPF sets out the circumstances where development can be permitted to address the pressing need for homes within an area, where other options are not available.

It is clear from the evidence supporting the local plan that housing needs cannot be met within the built-up areas of Tunbridge Wells and that no other areas are willing to take any development on behalf of Tunbridge Wells. In order to meet needs in full the Council had to examine opportunities for development on greenfield sites. Given that much of the land outside of the urban areas of Tunbridge Wells is either Green Belt or AONB the Council had to consider whether it was possible to meet needs in areas not covered by either of these designations. The Council examined these opportunities and is seeking to allocate a significant portion of land for a new settlement in this area to meet future needs. However, even with the development of a new settlement in the part of the borough not designated as Green Belt or AONB it would not be possible or sustainable to meet the remaining needs without delivering some homes in the AONB or removing land from the Green Belt. As such the Council have met the tests in paragraph 144 of the NPPF in relation to Green Belt and to paragraph 177 on AONB

that there it needs to amend Green Belt boundaries and/or develop in the AONB if it is to meet housing needs in full.

As well as there being no other opportunities for meeting needs there must also be the exceptional circumstances required to support the amendment of Green Belt boundaries or develop land within the AONB. In considering the exceptional circumstances the Council provide sufficient justification in the Development Strategy Topic Paper (ref:3.64) to support their proposed spatial strategy. However, the HBF would suggest that the exceptional circumstances exist to justify a higher housing requirement and the allocation of other sites to meet it.

Of particular concern for Tunbridge Wells must be the acute affordability concerns faced by its residents. The Council's review of local housing needs (CD3.75) shows in figure 6.3 that the trend in median house prices has risen sharply in recent years. This is reflected in the median work place-based affordability ratios which have increased from 9.91 in 2010 to 13.27 in 2020. Such acute affordability issues in Tunbridge Wells not only add weight with regard to the exceptional circumstances required to amend Green Belt boundaries but also that restricting growth on the basis of Green Belt or AONB would have significant negative impacts on accommodation costs for those in housing need across the Borough.

These affordability concerns are further exacerbated by the area's proximity to London and its popularity with households moving from the capital. This issue is highlighted in both the Review of Local Housing Needs and Housing Needs Study published in 2018 (CD3.79). As outlined earlier, both these studies recognise the strong links to London with paragraph 4.27 and 4.31 of CD3.79 outlining the significant demand from London based households. As we set out in our representations and elsewhere in this statement there will be a shortfall of at least 140,000 homes in London between 2018 and 2028. This shortfall will exacerbate existing pressures on both the West Kent HMA in general and the housing market Tunbridge Wells.

Alongside market housing there will also be a shortage of affordable housing coming forward over the period of this plan. In order to meet existing and future needs the Council consider that they would need to deliver 443 affordable homes each year. This is the equivalent of 60% of the total number of homes that are expected to be delivered by 2038. Whilst we recognise that Councils are not required to meet needs in full the scale of the need for affordable homes is an indicator as to the affordability pressures faced by many residents in Tunbridge Wells both now and in the future.

The HBF consider that restricting the scale of development in the Borough would have significant negative impacts on the accommodations costs faced by residents in TWBC and that whilst consideration should be given to protecting AONB and the Green Belt there are opportunities for housing development in these areas that maximise the benefits and minimise any harm. As such the HBF do not consider there to be any strong reasons for restricting growth. The HBF would suggest that in fact the pressure on this housing market adds great weight to the argument that further land should be allocated in the Borough to meet the unmet needs of other areas.

Q6. Is the housing requirement justified, having particular regard to areas of Green Belt and AONB across Tunbridge Wells?

As set out in our response to question 5 it is clear that the Council is justified in seeking to meet the minimum housing requirement established using standard method. However, we would suggest that the constraints in the borough should not have prevented the Council from adopting a higher housing requirement that would allow it to meet some of the unmet needs of other areas and improve the delivery of much needed affordable housing in the Borough.

**Issue 2 – Affordable Housing Needs**

Q1. What is the annual net need for affordable housing? For clarity to decision-makers, developers, and local communities, should the need for affordable housing be clearly set out in the Plan?

The Council's Housing Needs Study sets out in paragraph 7.14 that the level of affordable housing need in the Borough is 443 dpa. This should be clearly set out in the local plan to provide clarity for decision makers, applicants, and the public.

Q2. Has the need for affordable housing been accurately established and is it based on robust, up-to-date information?

No comment.

Q3. How does the need for affordable housing compare to the housing requirement? Based on the thresholds and requirements in Policy H3, will affordable housing needs be met?

The annual need for affordable housing is 65% of the total annual housing requirement and 60% of the housing that is expected to be delivered. Given that the Council consider it viable for major housing developments to deliver 40% of homes as affordable it is evident that there will be a shortfall in delivery of the plan period. PPG is clear that in such situations Council should consider whether an increase in the total housing figures included in the plan would be able to help deliver the required number of homes and is a further reason as to why a higher housing requirement as considered in option 10, 11 and 12 should have been considered more thoroughly before being dismissed by the Council as being unsustainable.

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