

Examination of the Tunbridge Wells Borough Local Plan

Statement on behalf of Taylor Wimpey UK Ltd

Matter 9 – Housing Land Supply

May 2022

Turley

Contents

1.	Introduction	3
2.	Response to Issues and Questions for Matter 9 – Housing Land Supply	4

Ryan Johnson
ryan.johnson@turley.co.uk

Client
Taylor Wimpey UK Ltd

Our reference
TAYS3041

May 2022

1. Introduction

- 1.1 This statement is submitted on behalf of Taylor Wimpey UK Ltd for purposes of the Examination of the Tunbridge Wells Borough Local Plan.
- 1.2 The statement responds to the Inspectors' Issues and Questions for Matter 9 – Housing Land Supply.
- 1.3 The concerns outlined by our client at the Regulation 19 stage (letter to TMBC dated 25th May 2021), on issues pertaining to the plan's legal compliance and soundness, have not been overcome thus far. If anything, the documents published by the Council for submission purposes only serve to highlight the deficiencies evident in the production of the plan now submitted.
- 1.4 Accordingly, we have examined the Inspector's questions for Matter 9 and provide responses to those we wish to contribute to debate on. We have also respectfully requested the opportunity to participate in the forthcoming hearing sessions to assist the Inspector further on such matters.

2. Response to Issues and Questions for Matter 9 – Housing Land Supply

Issue 1 – Total Housing Supply

Question 1. How has the housing trajectory in Figure 9 of the Plan been established? What factors were considered in arriving at the figures in the trajectory and are they accurate and robust?

- 2.1 National guidance [Paragraph: 010 Reference ID: 2a-010-20201216 (NPPG, 2020)] states that a housing requirement ‘...will need to be assessed prior to, and separate from, considering how much of the overall need can be accommodated (and then translated into a housing requirement figure for the strategic policies in the plan).’
- 2.2 As outlined in our Matter 2 Statement, we are concerned that the housing requirement deduced as the base for the Local Plan has not been positively prepared or informed by a robust SA process that aligns with the SEA Regulations. Taking this our as position, we have nevertheless sought to examine the housing land supply composition and trajectory proposed in the draft Local Plan to deduce if it is justified and effective for the plan period envisaged.
- 2.3 As set out in Policy STR1 and Table 9 of the Housing Supply and Trajectory Topic Paper (TWBC, 2021), the Council are seeking to deliver around 67-69% of total new site allocations at Tudeley Village and Paddock Wood (inc. East Capel). This places a significant onus on two sites to deliver the bulk of the boroughs housing needs for the next 15 years. As a result, one would expect to see a high degree of contingency built into the plans housing supply and trajectory assumptions to ensure a continuous five-year supply of land for housing is maintained.
- 2.4 On closer examination, we contend that the lead in times for the delivery of both sites, and the expected annual yield from Paddock Wood (inc. East Capel) are overly optimistic and insufficiently justified by evidence. Paragraph 4.6 of the Housing Supply and Trajectory Topic Paper (TWBC, 2021) references an evidence source as ‘*Start to Finish: How Quickly do Large-Scale Housing Sites Deliver?*’ (Lichfields, 2016). This report was updated in 2020, and is now entitled ‘*Start to Finish What factors affect the build-out rates of large-scale housing sites? SECOND EDITION*’ (Lichfields, 2020).
- 2.5 The Council’s Local Development Scheme (TWBC, Oct 2021) anticipates the examination of the submitted plan between March and April 2022, and adoption in January 2023. Given the Stage 2 examination is now likely to conclude in July, it seems reasonable to assume adoption, at the earliest, would be post 1st April 2023. Table 9 of the Housing Supply and Trajectory Topic Paper (TWBC, 2021) assumes that both strategic sites will have commenced development within three years of this anticipated adoption of the Local Plan and will deliver 300 and 150 homes respectively in the 2025/26 year. As the latest referenced Lichfield Report concludes in its summary ‘Key Figures’, sites over 2000 homes are more likely on average to take 8.4 years from a valid planning application to the first dwelling being completed on site. This is approaching three times the lead-in time assumed by the Council for such sites; and

yet no valid planning application has been submitted for Tudeley Village or a comprehensive application for the balance of the Paddock Wood proposed allocations.

- 2.6 Given the submitted Local Plan's development strategy relies so heavily on the delivery of these two strategic sites (67-69% of total allocations) in one geography of the borough (north west), it is essential in our view the Council take a realistic, if not cautious approach to such lead in times. We therefore request TWBC provide further information on the lead-in times for planning applications for this site, as this is not evident from paragraph 5.29 of the Housing Supply and Trajectory Topic Paper (TWBC, 2021). This rate is just short of double the rate evidenced in the latest Lichfields Report (160pa). TWBC have sought to justify the 300pa figure by taking an average of just 14 national case studies over 2000 units listed in Annex AX26 of the older Letwin Review (2018). This is not only an excessively small sample, but it also includes sites of a scale five times that of Paddock Wood, with a far greater number of outlets and wholly within the London HMA. The more recent Lichfields study we argue is a more comprehensive and up to date study and is more reasonable as a basis to deduce such national baselines. TWBC have not presented evidence of comparable sites either locally or regionally to support such a significant departure. Given these two sites make up nearly 70% of proposed allocations relied upon for the entire plan period, we suggest this is a significant omission. The lead in times and delivery rates assumed therefore appear overly optimistic. These are not justified and are unlikely to be effective in delivering the proposed development strategy.
- 2.7 Consequently, it seems likely a sizeable proportion of the two strategic sites will need to be delivered beyond the current plan period. Additional allocations should accordingly be made to compensate for this, with an opportunity to balance growth in the eastern parts of the borough in the process. At the very least, there is sufficient evidence to suggest a plan, monitor and manage approach to additional site release is necessary, to ensure a continuous five-year supply of land for housing over the plan period. If the Inspector agrees that further site allocations are needed to ensure the plans requirements are met within the plan period, and directs the Council to explore and consult on such options through the modification stages of the Local Plan, we will respectfully request the Council re-consider our clients site at Cranbrook (Site 25). This is a modest and suitable opportunity to contribute to reducing this shortfall, and one that is wholly deliverable in the first five years of the plan period.
- 2.8 In respect of Tudeley Village, whilst we have no particular issue with the annual delivery rate, we have the same concerns on lead in time for this site. Particularly as this is a new garden village, as opposed to an urban extension, where significant new infrastructure will be critical to phasing and delivery. This includes, amongst many other items, on and off-line improvements to the A228 around Colts Hill, and the provision of a new highway which bypasses Five Oak Green.
- 2.9 It is evident from this, that the lead in time proposed for Tudeley Village in Table 9 of the Housing Supply and Trajectory Topic Paper (TWBC, 2021) is therefore unjustified and likely to lead in an ineffective development strategy.
- 2.10 In addition, very little if any evidence is presented on the implications for absorption rates for two strategic sites of this scale so close together. As Table 9 of the Housing

Supply and Trajectory Topic Paper illustrates, both sites are largely envisaged to be up to full production within the third year post anticipated adoption of the Local Plan. A significant amount of infrastructure disruption is likely given the scale of the projects and their proximity to each other. Existing local housing market delivery coupled with two large strategic sites being delivered at the same time will inevitably influence market absorption rates. Further work is advised on this given how critical the delivery path and rates for these two sites are to the Council's Development Strategy.

- 2.11 Given the proportion of supply these two strategic sites contribute to total housing land supply, it is essential delivery rates are realistic and justified by evidence. It is equally important that sufficient contingency is built into the housing land supply to account for slower delivery rates and yields over the plan period.
- 2.12 The Council's latest five-year housing land supply statement was published in July 2021, with a base date of 1st April 2021. This suggests TWBC could only demonstrate a 4.93-year supply. However, this was tested in a recent appeal decision dated 22nd March 2022¹, with the Inspector concluding the Council had been overly optimistic in its assumptions and suggesting this was more likely to be 4.61 years. This illustrates the need to be realistic as opposed to optimistic with such supply assumptions, particularly given the reliance placed on the two strategic sites in question.
- 2.13 Figure 1 of the Housing Supply and Trajectory Topic Paper (paragraph 4.12) illustrates completion levels over the last 20 years have never exceeded 575pa. Only in the current reporting year 2020/21 has this been exceeded with a figure of 688 homes². This is notably below the 767 homes anticipated in Figure 9 of the Submission Local Plan, again illustrating a continued trend of being overly optimistic.
- 2.14 Whilst we agree and accept future completion levels will rise with the allocation of two large strategic sites, which have multiple outlets, these will take time to come online. We contend that this will take much longer than the Council anticipate, as outlined above. It therefore seems a significant leap of faith to expect such significant step changes in supply in the first phase of the plan period. As is evident at Figure 9 of the submission Local Plan, TWBC envisage a significant step change rising to 932 pa even before the Local Plan's anticipated adoption. We are not the only ones to question the justification for this.
- 2.15 The Council's own consultants Icenl concluded similarly in December 2020 when commenting on the proposed housing trajectory in their '*Review of Local Housing Needs*' (Icenl, Dec 2020).
- 2.16 At paragraph 7.35, the consultant concludes that the: '*particularly high completions envisaged in Year 2 look to be potentially overly optimistic, particularly given the wider economic backdrop which could arise,...*'
- 2.17 At paragraph 7.37 of the same report, the consultant comments:

¹ APP/M2270/W/21/3282908

² Paragraph 37 of Five-Year Housing Land Supply Statement 2020/21 (TWBC, July 2021)

2.18 *'The particular question which arises is whether the very high delivery rates in Years 1-5 can be achieved given the potential for housing market conditions to weaken in the short-term as unemployment rises as a result of the Covid-19 pandemic and Government support, such as through the Stamp Duty holiday, finishes. It is important to make a distinction here between potentially "deliverable supply" in terms of what could be delivered, which is influenced by planning, and what the market may in fact achieve, which is influenced by wider market conditions.'*

2.19 We share such concerns with the delivery rates proposed being overly optimistic, particularly in advance of adoption of the Local Plan and bringing on stream the strategic sites.

Conclusion

2.20 Considering the evidence cited above, we contend the housing requirement requires an upward adjustment to account for more of the area's local needs, and to reduce the shortfall in affordable housing provision. This is particularly important when three of the adjoining LPAs have had their emerging plans found to be legally non-compliant and have been withdrawn or delayed consequently.

2.21 There is equally evidence to suggest an upward adjustment is required to account for known and mounting unmet housing needs in the relevant functional housing market areas for TWBC.

2.22 In housing land supply terms, we have shown the Council's housing land supply trajectory to be overly optimistic both in the critical first five years of the plan, and with respect to the lead in and delivery rates for the two strategic site options that make up 67-69% of total new allocations proposed within the plan period. We contend this is likely to result in the delivery of these sites beyond the plan period, and there is a consequential need to allocate additional sites to compensate for this within the plan period.

2.23 The Council provide a contingency of 8.6% in their land supply assumptions (inc. windfall) over the 15-year plan period. TWBC anticipate the cumulative completion of 13,257 homes, versus a current target of 12,204 homes (Table 9 of Housing Supply and Trajectory Topic Paper, TWBC, 2021). This buffer obviously reduces if, as we contend, the baseline housing requirement rises and/ or a proportion of the strategic sites' delivery extends beyond the plan period. We would suggest an increase to this buffer, through the allocation of additional deliverable sites in sustainable locations, thereby ensuring the Development Strategy is positively prepared, effective, and justified. In its current form, we contend the Development Strategy is unable to satisfy any of these tests.

2.24 Our client's site at Cranbrook (Site 25) is put forward as a suitable site to contribute to addressing some of this deficit, a site that is wholly deliverable within the first five years of the plan. We would suggest this, and other additional site allocations are assessed, proposed, and consulted upon through the modifications stage of this Local Plan.

-End-