## Examination of the Tunbridge Wells Borough Local Plan

## Tunbridge Wells Borough Council Hearing Statement

# Matter 8: Meeting Housing Needs Issue 2: Five-Year Housing Land Supply

**Document Reference: TWLP/132** 



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## Matter 8 – Meeting Housing Needs

## **Issue 2 – Five-Year Housing Land Supply**

Inspector's Question 1: [re. Five-Year Housing Land Supply] What will be the five-year housing land requirement upon adoption of the Plan?

## **TWBC response to Question 1**

#### Introduction

1. The Development Strategy Topic Paper Addendum (<u>PS\_054</u>) sets out the proposed changes to the Submission Local Plan in response to the Inspectors Initial Findings letter. Given the significant reduction in housing numbers now proposed, through the proposed deletion of Tudeley Garden Village from the Local Plan, and with a reduced scale of growth at Paddock Wood and Land at East Capel, the absence of any clear additional sites and the 10 year, rather than a 15 year housing land supply (with commitment to an early review) there is still a requirement to ensure that there are specific, deliverable sites for five years following the intended date for adoption as set out in paragraph 69 (a) of the NPPF.

#### Consideration

- 2. Notwithstanding the minor change to the Local Plan Housing Trajectory (Position as at 1 April 2023) as per **Appendix 1** of the Council's Matter 8, Issue 1 Hearing Statement, the five-year housing land supply requirement upon adoption of the Plan remains unchanged compared to the previously published position in December 2023 [PS-062]. The Council anticipates adoption of the Local Plan either late 2024 or early 2025, and accordingly, the following five-year supply position post-adoption is anticipated to be as at 1 April 2025.
- Table 1 below illustrates the anticipated supply within the first five years of the plan period (1 April 2020 31 March 2025). This includes recorded completions between 1 April 2020 31 March 2023 and anticipated completions between 1 April 2023 31 March 2025.

Plan Year	2020/21	2021/22	2022/23	2023/24	2024/25
Annual Housing Target	667	667	667	667	667
Completions	688	518	636	-	-
Anticipated Supply	-	-	-	842	736

#### Table 1 – Anticipated Supply Within First Five Years of Plan Period

- Based upon the above, the Council anticipates that there will be an overall supply of 3,420 dwellings against an accumulative housing target of 3,335 dwellings by 31 March 2025. This results in an anticipated surplus of 85 dwellings.
- 5. In calculating the housing target from 1 April 2025, the Council considers it appropriate to adopt the 'Liverpool approach' whereby the surplus is factored into the annual housing target within each year to the end of the plan period, rather than within the next five-year period (and therefore the reduction in the five-year target will be less than if the 'Sedgefield approach' was used).
- 6. The primary justification for using the Liverpool approach in the case of a surplus is to discourage a 'break' in housing supply by limiting the reduction in the housing target over the five-year period. The Sedgefield approach towards any shortfall would similarly be considered most appropriate in order to encourage a 'bounce-back' in housing supply by increasing the housing target over the next five-year period. This is also in accordance with the <u>Planning Practice Guidance</u> (see Paragraph: 031 Reference ID: 68-031-20190722) which states that any deficit or shortfall will need to be calculated from the base date of the adopted plan and should be added to the plan requirements for the next 5 year period. It is therefore reasonable to consider the Liverpool approach in the event of a surplus/exceedance in supply.
- 7. Given that a surplus is anticipated as at 1 April 2025, the annual housing target for the five-year period post-adoption is anticipated to be 658.5 dwellings (housing target of 667 (surplus of 85 x 10 remaining years of 10-year supply period to 2035)). The five-year requirement will therefore be 3,293 dwellings.
- 8. Following on from the analysis of the large and small windfall allowance position as set out in the Development Strategy Topic paper Addendum, the Council has correctly used an appropriate approach to assess the five-year housing land supply position based on a number of factors as set out above, it is concluded that the five-year housing land requirement will be **3,293** dwellings upon adoption of the plan.

## Inspector's Question 2: [re. Supply Within First Five Years]

Based on the latest housing trajectory, how many dwellings are expected to be delivered in the first five years following adoption of the Plan?

## **TWBC response to Question 2**

#### Introduction

- 9. As the Council sets out within its Development Strategy Topic Paper Addendum (see section 13 of <u>PS\_054</u>), the main modifications to the Housing Trajectory and the projected sources of supply as a consequence of the Council's suggested changes to the Plan including most significantly the removal of Tudeley Village (STR/SS 3), and the reduction of development within Paddock Wood and land at east Capel.
- 10. In addition, other amendments to the housing supply are proposed in the plan which are set out in the Councils response to Matter 8 Issue 1 Q2.
- 11. Furthermore, the Council has identified that subsequent to the most recent published trajectory position compiled in response to the Inspectors Initial Findings (<u>PS\_062</u>), there are now further considerations taken into account as a result of discussions with the site promotors at Paddock Wood and land at east Capel (STR/SS 1) in regard to phasing of delivery. As a consequence, the anticipated level of phasing for STR/SS 1 within the 10-year supply period to 31 March 2035 has reduced from 2,389 to 2,274 (a reduction of 115 dwellings).

#### Consideration

12. Following the anticipated delivery prior to adoption as per the Council's response to Question 1 above, and as per **Appendix 1** of the Council's Matter 8, Issue 1 Hearing Statement, the Council anticipates an overall delivery of 7,427 dwellings by 31 March 2030, of which 4,007 dwellings are anticipated within the first five years following adoption of the Plan (1 April 2025 – 31 March 2030).

## Conclusion

13. Based on the latest housing trajectory, 4,007 dwellings are expected to be delivered in the first five years following adoption of the Plan.

## Inspector's Question 3: [re. Clear Evidence of Deliverability]

Where sites have been identified in the Plan, but do not yet have planning permission, or where major sites have only outline planning permission, is there clear evidence that housing completions will begin within five years?

## **TWBC response to Question 3**

#### Introduction

- 14. The Council undertakes a review of its housing supply position on an annual basis with the most recently published data being the Five Year Housing Land Supply Statement 2022-2023 (<u>PS\_067</u>). It includes Outline consents existing non-consented allocated sites (proposed to be taken forward into the emerging Local Plan).
- 15. The remaining sites within the published housing trajectory (<u>PS\_062</u>) have been updated following on from discussions with the main site promotors of site STR/SS 1 Paddock Wood and land at east Capel. This is referenced in the council's Hearing Statement in response to Matter 8 Issue 1.

#### Consideration

- 16. Appendix 1 of the Council's Matter 8, Issue 1 Hearing Statement is the latest Local Plan Housing Trajectory (as an update to the previously published housing trajectory (see PS\_062)). With the exception of the updated phasing for STR/SS 1, the phasing is based upon the information and evidence available to the Council as of December 2023. All sites phased within the five-year period from 1 April 2023 (the base date of the latest assessment) are considered to be informed by clear evidence of their deliverability within five years. For non-consented allocations, this assessment is based on, for example, whether the site has any relevant recent planning activity (any active applications or pre-application discussions), any recent correspondence with site promoters, discussions with senior officers in planning services, and any other relevant information.
- 17. The evidence of deliverability of outline consents and existing non-consented allocated sites (proposed to be taken forward into the emerging Local Plan) as at 1 April 2023 is set out within the Council's latest <u>Five-Year Housing Land Supply Statement 2022/23</u>. In <u>addition</u> to these, the evidence of deliverability within the current five-year period from 1

April 2023 – 31 March 2028 for emerging site allocations (without consent as at 1 April 2023 and not previously allocated) is briefly set out as follows:

#### STR/SS1 (The Strategy for Paddock Wood and east Capel):

18.360 units are currently phased between 1 April 2023 – 31 March 2028. The identified phasing and build-out rates at STR/SS1 are reflective of ongoing discussions with all site promoters, who are all national housebuilder developers, who have experience of delivering strategic sites. The phasing is reflective of the anticipated trajectories provided by each site promoter at Paddock Wood as at May 2024. Furthermore, the sites at East Paddock Wood are well advanced with three Hybrid planning applications currently being considered by the Council (23/00086/HYBRID, 23/00091/FULL, 23/00118/HYBRID) totalling 1,160 dwellings. Reserved matters applications would be required for subsequent phases; however, the first phases of 330 dwellings across two parcels (C and D as set out in the Development Strategy Topic Paper Addendum [PS\_054] revised policy STR/SS 1) are submitted with full details.

#### AL/CRS3 (Turnden Farm, Hartley Road, Cranbrook):

19. The balance of this allocation, excluding current extant consents, is 166 units. 140 units are currently phased within the current five-year period. It is noted that the site is currently subject to Secretary of State (SoS) call-in under section 77 of the Town and country Planning Act 1990, to which the Council is awaiting a decision. However, if permitted and/or allocated, given that the site promoter/developer is already in control of the land and developing on the site with extant consents, it is considered highly likely that delivery would commence quickly. The current application has been the subject of much debate at the public inquiry, and the matters for and against the current scheme have been set out in significant detail in the Planning Inspectors report following the inquiry, and subsequently the SoS original (now quashed) decision letter. The decision has been quashed following a judicial review as has been set out in the Councils response to Matter 6, Issue 1 for the Stage 3 hearing sessions. Nevertheless, much progress has been made on resolving many of the material planning considerations, meaning progress can be expected to be within the initial five-year period.

#### AL/HA5 (Land to the North of Birchfield Grove):

20. This site is phased for delivery between 2026/27-2027/28. The site is currently subject to <u>22/02664/HYBRID</u>, of which the 70 units are in outline form. This application received a

resolution to grant by Planning Committee on 8 November 2023 subject to the signing of a Section 106 Legal Agreement. There is no evidence or communication with the applicant to indicate that a Reserved Matter application will not be submitted once the outline application is determined, and therefore the Council remains confident that the site can be delivered within the five-year period. This site is the subject of Matter 5, Issue 1 for the Stage 3 hearing sessions.

#### AL/BM2 (Land at Maidstone Road):

21. This site is currently phased for delivery within 2026/27. There is a live Full planning application (22/00757/FULL) which received a resolution to grant planning permission (subject to a S106 Legal Agreement) at the 15 May 2024 Planning Committee (see <u>Committee Report</u>). Consequently, there is clear evidence of deliverability within the current five-year period.

AL/GO1 (Land East of Balcombes Hill and Adjacent to Tiddymotts Lane):

22. This site is currently phased for delivery within 2026/27. This site is subject to 23/00372/FULL and has a resolution to grant (determined at delegated level), subject to the completion of a Section 106 Legal Agreement). It follows a previously lapsed planning consent (19/00280/FULL). Confirmation was also received by the agent on 16 May 2024 of the anticipated commencement of development within 2024 with completion with 24 months (by the end of 2026). Given the site's recent active planning history as well as that there is a current live application due to be approved subject to a Section 106 Legal Agreement, as well as the agent's anticipated timescales for delivery, it is therefore considered highly likely that the site will come forward and be delivered within the next five-year period.

#### AL/HO2 (Land South of Brenchley Road and West of Fromandez Drive):

23. This site is currently phased for delivery between 2026-27 – 2027-28. This site is currently subject to <u>22/00296/OUT</u> for 68 units (and therefore 68 units have been phased), and was also discussed at the Stage 2 hearings under Matter 7, Issue 13 on 5 July 2022. This application received a resolution to grant subject to the completion of a Section 106 Legal Agreement by Planning Committee on 19 July 2023. There is no evidence or communication with the applicant to indicate that a Reserved Matter application will not be submitted once the outline application is determined, and therefore the Council remains confident that the site can be delivered within the five-year period.

#### AL/HO3 (Land to the East of Horsmonden):

24. This site is currently phased for delivery between 2026-27 – 2027-28. 20 units already has planning permission under <u>19/03657/REM</u> and subject to a number of live discharge of condition applications (and the applicant expects these to be delivered prior to 2027). The balance, 120 units, is currently subject to <u>24/00078/HYBRID</u> which is awaiting determination. Full details are provided for the 120 units and the applicant has confirmed that they anticipate delivery from 2026-27 subject to approval by Planning Committee in 2024. Given that the developer already has extant planning permission on the site and is seeking to discharge conditions, as well as given the current live application and the applicant's indicative timescales for delivery, it is considered that there is clear evidence that the site will come forward and be delivered within the current five-year period.

#### AL/PE2 (Land at Hubbles Farm and South of Hastings Road):

25. This site is currently partly phased within the current five-year period (44 of 80 units phased within 2027-28). While no application has been submitted, this site is subject to Green Belt release and the Council anticipates, through ongoing correspondence with the agent and developer, that the site will come forward with a Full planning application within the near future.

AL/SA2 (Sharps Hill Farm, Queen Street):

26. This site is currently phased for delivery in 2027/28. It is noted that an outline application (<u>19/01493/OUT</u>) for 16 units was refused by Planning Committee on 3 February 2021, and the appeal was dismissed. Despite this, it is considered highly likely that the site will come forward quickly if allocated in the emerging Local Plan as it is clear from the previous planning activity that the applicant intends to bring forward the site. It is added that this site was previously discussed at the Stage 2 hearing session under Matter 7, Issue 5 on 6 July 2022.

#### AL/SP1 (Land to the West of Langton Road and South of Ferbies):

27. This site is phased for delivery within 2027-28. While there is no current planning activity, it is understood that the site owners have a developer onboard and that the applicant is keen to deliver the site promptly. The site also requires Green Belt release, so it is anticipated that the site will come forward quickly following adoption of the Plan.

## Conclusion

28. The Council therefore considers that there is clear evidence of deliverability of sites phased within the current five-year period (1 April 2023 – 31 March 2028). As per the Council's response to question 5 below, it is noted that there is an anticipated buffer of 757 dwellings above a five-year supply position post-adoption of the Local Plan (anticipated position as at 1 April 2025). As such, should any sites slip beyond the five-year period, it is considered that there is a sufficient buffer to ensure that a five-year supply post-adoption is still achieved.

## Inspector's Question 4: [re. Windfall Allowance]

What allowance has been made for windfall sites as part of the anticipated five-year housing land supply? Is there compelling evidence to suggest that windfall sites will come forward as expected in the first five years?

## **TWBC response to Question 4**

#### Introduction

- 29. The Submission Local Plan (CD 3.128) indicates that a reliable source of housing supply is through windfall (non-allocated) sites. The occurrence of estimating the level of windfall delivery has been carefully reviewed and evidence has been provided as to what their contribution might be to overall housing delivery.
- 30. Details of windfall sites for the Submission Local Plan are set out in the Housing Supply and Trajectory Topic Paper (CD 3.74) and the Brownfield and Urban Land Topic Paper (CD 3.83).
- 31. The National Planning Policy Guidance requires that local housing need figures should be kept under review and revised where appropriate Having regards to this, the housing needs figure may change based on whether inputs, such as windfall delivery estimates, vary. The PPG sets out that 'local housing need calculated using the standard method may be relied upon for a period of 2 years from the time that a plan is submitted to the Planning Inspectorate for examination' (PPG Paragraph: 008 Reference ID: 2a-008-20190220).
- 32. The council has undertaken a review of its housing need and which has resulted in a revised windfall estimate, which is set out in the Development Strategy Topic Paper Addendum (<u>PS\_054</u>).

#### Consideration

33. The Council's windfall allowance from the current base date of the Local Plan Housing Trajectory (as at 1 April 2023) is shown in Table 2 below:

Table 2 – Windfall Allowance

	r1
Plan	Windfall
Year	allowance
2020/21	0
2021/22	0
2022/23	0
2023/24	0
2024/25	0
2025/26	152
2026/27	152
2027/28	152
2028/29	152
2029/30	152
2030/31	152
2031/32	152
2032/33	152
2033/34	152
2034/35	152
2035/36	152
2036/37	152
2037/38	152

- 34. The above windfall allowance begins from 1 April 2026 (year 4 from the current five-year position's base date of 1 April 2023) as a means to avoid duplication of any extant planning permissions/existing windfalls within the first three years (within which extant planning permissions/existing windfalls are most likely to be fully delivered).
- 35. The revised windfall allowance of 152 dwellings per annum is based on a small-sites (1-9 unit) windfall allowance of 122 dwellings per annum along with a large-sites (10+ unit) windfall allowance of 30 dwellings per annum.
- 36. With regard to small sites, there have been a consistently high number of completions between 2006/07 – 2022/23. As also outlined within section 11 of the Council's Development Strategy Topic Paper Addendum (PS\_054), this is illustrated in Table 3 below.

Year	Completions on Schemes of 9 or Less Units
2006/07	124
2007/08	155
2008/09	131
2009/10	100
2010/11	107
2011/12	76
2012/13	84
2013/14	48
2014/15	95
2015/16	145
2016/17	194
2017/18	158
2018/19	167
2019/20	81
2020/21	158
2021/22	152
2022/23	137
Average	124

- 37. While the figure of 122 was reflective of the average from 2006-07 2020/21, as can be seen above, the windfall allowance has remained high such that the average has increased to 124. Moreover, it is noted that it was previously proposed that a 20% discount was applied to the small-sites windfall allowance (98, instead of 122, dwellings per annum, and then a further 20% discount below that to 78 dwellings per annum for the final 7 years of the plan in recognition of longer-term uncertainties); however, the average number of completions on small sites have not fallen in the last four years, but have actually increased, with an average of 132 dwellings per annum.
- 38. Given this, with increased small windfall sites' development in recent years, it is considered that the Local Plan windfall allowances is likely to be too conservative. On this

basis, it is considered reasonable not to discount the longer-term average of 122 dwellings per annum of small sites. Moreover, recognising that the average is holding steady and has actually increased by approximately 10% in recent years, it is proposed to remove the previous further discounting for the last 7 years of the plan period. Consideration has also been given to likely increases in permitted development allowances. Consequently, it is considered that there is compelling evidence that windfall sites will continue to come forward throughout the plan period in line with recent trends.

39. For the large-sites windfall allowance (for schemes of 10+ dwellings), a 20% discount was similarly previously applied which resulted in an allowance of 24 dwellings per annum (from an average of 30 dwellings per annum since 2011, when the Core Strategy was in place). This allowance excluded greenfield sites and those outside established Limits to Built Development (LBDs). Again, monitoring over the last 4 years has shown a significant number of large windfall sites (similarly excluding existing and emerging site allocations, greenfield sites, sites outside the LBD, and proposed C2 schemes) coming forward. This is shown below:

Year	Completions on Schemes of 10 or More Units
2019/20	49
2020/21	82
2021/22	32
2022/23	46
Total	209
Average	52

Table 4 – Large-Site Windfall Completions

40. This average of 52 dwellings is notably above the previous average of 30 dwellings per annum, which was also subject to a 20% reduction as a means to provide greater certainty over delivery. However, given the potential variability in relation to larger-site windfalls, it now seems reasonable to conclude that the 30 dwelling per annum estimate is used in the Local Plan without a 20% discount.

## Conclusion

41. The net effect of these revised allowances for small- and large-site windfalls adds 520 dwellings into the supply up to 2038. Due to the compelling evidence as shown above, this is considered to be a fair response to the latest data available.

# Inspector's Question 5: [re. Five-Year Supply Position Upon Adoption]

Will there be a five-year supply upon adoption of the Plan? If not, is the Plan sound?

## **TWBC response to Question 5**

#### Consideration

42. Following on from the Council's responses to Questions 1 and 2, post-adoption, and as at 1 April 2025, the Council anticipates an anticipated supply of 4,007 dwellings against its anticipated housing target of 3,293 dwellings. This will result in an anticipated supply of 6.09 years as at adoption. Therefore, there will be a five-year supply upon adoption of the Plan.