

Examination of the Tunbridge Wells Borough Local Plan

Statement on behalf of Taylor Wimpey UK Ltd

Matter 2 – Housing and Employment Needs (Policy STR1)

March 2022

Turley

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Our reference

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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 2 – Housing and Employment Needs (Policy STR1).
- 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 plans 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 2 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 2 – Housing and Employment Needs (Policy STR1)

Issue 1 – Housing Needs and the Housing Requirement

Question 2. 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?

- 2.1 National guidance [Paragraph: 010 Reference ID: 2a-010-20201216 (NPPG, 2020)] confirms that:

The standard method for assessing local housing need provides a minimum starting point in determining the number of homes needed in an area. It does not attempt to predict the impact that future government policies, changing economic circumstances or other factors might have on demographic behaviour. Therefore, there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates. (Our emphasis).

- 2.2 The standard method calculation includes a cap on Tunbridge Wells Borough Councils actual needs. The minimum local housing need is 678dpa¹ in Tunbridge wells, or 12,204 over the plan period proposed in the Local Plan from 2020 -2038. The actual housing need in the borough is 741pa,² or 13,338 over the plan period proposed in the Local Plan from 2020-2038.

The PPG sets out at Paragraph: 007 Reference ID: 2a-007-20190220:

“the cap reduces the minimum number generated by the standard method, but does not reduce housing need itself. Therefore strategic policies adopted with a cap applied may require an early review and updating to ensure that any housing need above the capped level is planned for as soon as is reasonably possible. Where the minimum annual local housing need figure is subject to a cap, consideration can still be given to whether a higher level of need could realistically be delivered. This may help prevent authorities from having to undertake an early review of the relevant policies.”(our emphasis).

- 2.3 The Council, rightly in our view, sought to test this through their SA. This comprises Option 10 of 12 reasonable alternatives tested at Table 12 of the Submitted SA (TWBC, 2021). Tables 13 -24 assesses all 12 reasonable alternatives, with the findings then used to inform the drafting of a suitable strategy for the Pre-Submission Local Plan³. Paragraph 6.2.7 of the SA then confirms that growth options 10, 11 and 12 resulted in more extreme positive and negative scores, than options 1-9, and hence, with very little articulation beyond that, are not pursued further. The summary scores for each option are presented in Table 26 (Page 84) of the submitted version of the SA (TWBC,

¹ As calculated in 2020.

² As calculated in 2020.

³ As confirmed at paragraph 6.2.2 of the Sustainability Appraisal (TWBC, Oct 2021).

Oct 2021), along with an assessment of the Pre-Submission Local Plan Strategy for comparison. If one examines Table 26, the Council score Option 10 (uncapped need of 13,338 homes) worse than their Pre-Submission Local Plan option (Option 13). However, the latter is predicated on the delivery of 13,444 homes⁴, which slightly exceeds the uncapped need figure.

- 2.4 As outlined in discussions in week one of the Examination, where pertaining to SA Matters, it is difficult to ascertain why therefore option 10 was dismissed as a reasonable alternative level of growth as a matter of principle, when the Pre-Submission Local Plan is delivering in excess of the option 10 level of growth. As a consequence, by selecting Option 13 as the preferred strategy, it is assumed the Council can indeed meet the uncapped need requirement in principle at least. If this is not the case, then it must follow that the Council has failed to properly assess Option 13 through the SA.
- 2.5 As set out at Paragraph: 007 Reference ID: 2a-007-20190220 of the NPPG therefore, the housing requirement should, as a minimum, comprise the actual need (uncapped) figure of 13,338 homes. This is without accounting for additional affordability adjustments or unmet needs from adjoining authorities, which we respond to below. Both of which emphasise how important it is for the Council to adopt a positive approach to at least the uncapped needs calculated under the standard method. As NPPG states at Paragraph: 007 Reference ID: 2a-007-20190220: *“This may help prevent authorities from having to undertake an early review of the relevant policies.”*
- 2.6 As we outline below, given how acute the affordable needs are in the borough, and indeed wider housing market area, we would suggest it is imperative the plan is as positively prepared as possible.
- 2.7 NPPG Paragraph: 010 Reference ID: 2a-010-20201216 confirms that *‘there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates’*. This includes adjustments required to address affordable housing needs. Paragraph 3.29 of the Councils more recent assessment of needs, entitled *‘Review of affordable housing needs in the context of ‘First Homes’ (JGC, Feb 2021)*, confirms that the net need for social/affordable rented housing in the borough is **323** dwellings per annum. In addition to this, there is an estimated net need for affordable home ownership properties of **347** dwellings per annum. This is confirmed at paragraph 4.13 of the same document.
- 2.8 Table 10 (Page 43) of the *‘Housing Supply and Trajectory Topic Paper for Pre-Submission Local Plan’* (TWBC, Feb, 2021) provides a crude indication of the number of affordable homes likely to be delivered, deducting small site windfall, if the thresholds of submitted Local Plan Policy H3 were to be applied to the Local Housing Need figure of 678 dwellings per annum. This confirms only around 224 affordable homes a year would be delivered. It is acknowledged there would be additional units delivered as a result of financial contributions secured from sites of 6-9 units in the AoNB, under criterion 4 of Policy H3 of the Submitted Local Plan. However, a breakdown of the contribution from this source is not evident in the Councils evidence base. No

⁴ Paragraph 4.53 of the Submission Local Plan (TWBC, Oct 2021) ; as deduced through tables 3 and 4 of the Submission Local Plan (TWBC, Oct 2021)

comparison is evident for the proposed total supply figure of 13,444 homes (747 pa) outlined at paragraph 4.53 of the Submitted Local Plan. However, it seems evident this is unlikely to substantively improve the annual supply of affordable homes, versus the needs we outline in paragraph 2.5 above.

- 2.9 Paragraph 2.18 of the TWBC Submission Local Plan confirms, *'that in 2019, entry level house prices were approximately 12 times the (workplace based) earnings of households in the borough, representing around a 38% increase since 2009, from around eight times the earnings.'* (Our emphasis). The data for 2020 indicates this has continued to worsen and stands at 13.27⁵. We understand the ONS are due to publish the 2021 data set imminently, but for the time being the 2020 set is the latest, highlighting an acute and worsening affordability of homes in the borough.
- 2.10 In addition, at paragraph 4.17 of the *'Review of affordable housing needs in the context of 'First Homes''* (jg consulting, Feb 2021) the consultant concludes:
- 2.11 *'It does seem that there are many households in Tunbridge Wells who are being excluded from the owner-occupied sector. This can be seen by analysis of tenure change, which saw the number of households living in private rented accommodation increasing by 76% from 2001 to 2011 (with the likelihood that there have been further increases since). Over the same period, the number of owners with a mortgage dropped by 7%.'* (Our emphasis).
- 2.12 The underlined sections serve to highlight the acute affordability issues in the borough, which seem likely to continue to worsen under a policy approach that seeks to undershoot need by some margin. It is unclear why therefore TWBC have not sought to adjust their housing requirement to help meet more of such needs. This is without accounting for unmet needs in adjoining authorities, for which there is an extant request for assistance still in place from Sevenoaks Council. A request that TWBC have been aware of throughout the production stages of the TWBC Local Plan, and prior to formal submission of the Local Plan.
- 2.13 The Council, rightly in our view, sought to test this unmet need option through their SA process. This comprised reasonable alternative option 11, in table 12 of the submitted SA, which included uncapped and unmet needs. However, as we outline in paragraph 2.4 above, it is unclear why the Council dismissed Option 10 (uncapped need), when the total plan provisions exceed the uncapped housing requirement. Similarly, the grounds for dismissing Option 11 are equally less than clear. In particular, it is unclear how the Council sought to distribute the additional growth (uncapped and unmet needs) to settlements in accordance with their settlement hierarchy, as no breakdown is provided under the options. The options chosen for distributing such growth clearly will have a bearing on the outcome of the assessment. Indeed, it may identify opportunities for particular settlements or sites to make a contribution to meeting some of this need, even if not all. Given how acute housing need is in this area, any such contribution, no matter how small, to meet such needs would surely assist the Council demonstrate they have produced a 'positively prepared' local plan under paragraph 35 of NPPF.

⁵ House price to workplace-based earnings median ratio (ONS, 2020)

- 2.14 An example being Cranbrook and Sissinghurst. In the Draft Local Plan (2019), 803 homes were proposed to be distributed on sites at Cranbrook, with another 115 at Sissinghurst. The SA accompanying that version of the plan assessed and supported this level of growth, in line with the sustainability objectives of the plan.
- 2.15 However, in the submission Local Plan, this level of growth was reduced to 429 homes at Cranbrook, and 38 at Sissinghurst. This followed the deletion of some sites deemed to have greater biodiversity, landscape or heritage impacts, amongst others, than first envisaged at Draft Local Plan stage. However, there were reasonable alternative sites at both settlements that scored better than some of the draft allocations deleted, or indeed those retained, that could have assisted in meeting some of the needs lost through deletion of the draft local plan allocations in question. Particularly given the Council had, through their SA, concluded this level of growth (803 +115 homes respectively) was appropriate to the settlements role and function in the borough.
- 2.16 This includes sites of a scale categorised as ‘not substantial’ for AoNB assessment purposes at Table 7 of Appendix 2 of the Councils ‘*Development Strategy Topic Paper for Pre-Submission Local Plan*’ (TWBC, Oct 2021). An example of which being Site 25, which performs better than a number of the sites deleted and indeed selected for allocation.⁶ A site that could make a small, yet modest contribution to meeting the needs of the area, and adjoining boroughs, in a sustainable manner, and within the first five years of the plan period. We provide a detailed breakdown of such grounds at pages 5-8 of our Regulation 19 representations, which we are content to rely upon in the interests of brevity.
- 2.17 The reduction in growth proposed at sustainable settlements such as Cranbrook, between draft and submission stages of the local plan, has not in our view been sufficiently justified, particularly given the scale of housing need, and presence of available and suitable sites that scored well through the SA. The same may well apply to other settlements. The absence of a detailed breakdown of the distribution of uncapped and unmet needs makes this assessment difficult to conclude on, and so to the Councils justification for dismissing SA growth Option 11.
- 2.18 For all the above reasons, we feel there are strong grounds to make an upward adjustment to the baseline minimum requirement to improve the delivery and affordability of homes across the area.

Question 8. Does the Plan seek to meet any unmet housing needs from elsewhere? If not, what are the reasons for this and is it justified?

- 2.19 No. In addition to the extant request for assistance from Sevenoaks District Council, there are significant and known unmet needs from London that straddle the relevant housing market and travel to work areas.
- 2.20 Sevenoaks District Council and Tonbridge and Malling both withdrew their Local Plans in 2021, following receipt of Inspectors Reports that concluded they had not discharged their statutory duty to cooperate with adjoining authorities over unmet

⁶ Comparison between Table 54 and Appendix J (Site 25) of SA (TWBC,2021).

housing needs, amongst other matters. Wealden District Council had also withdrawn its Local Plan in 2020, for largely the same reasons.

- 2.21 As a consequence, three of the adjoining authorities are delayed in their plan preparation and housing delivery strategies; and the government has confirmed there are significant unmet and mounting housing needs in London requiring collaborative action with their neighbours within the next five years. All of which highlights how important it is for the emerging TWBC Local Plan to be as positively prepared as possible. For the reasons we outline in response to Question 2 above; we are unable to conclude the proposed housing requirement is either justified or positively prepared.

Question 6. Is the housing requirement justified, having particular regard to areas of Green Belt and AONB across Tunbridge Wells?

- 2.22 In accordance with paragraph 137, 176 and 177 of NPPF, the Council has demonstrated they have examined fully all other reasonable options to meet its objectively assessed needs without recourse to Green Belt and AoNB sources. As we outline in paragraph 2.5 above, there is an acute need for affordable housing that will still not be met following delivery of even the currently proposed housing requirement, and there are mounting housing needs from adjoining authorities, three of whom have had to re-start their Local Plan processes, with consequential impacts to meeting needs in the wider housing market areas. There are exceptional grounds therefore in our view to assess the contribution such sources can make to the achievement of sustainable development⁷. The site selection methodology deployed by the council in pursuit of such objectives, to accord with NPPF when read as a whole, is something we have specific concerns on, and elaborate on this in our Matter 5 Statement.

Issue 2 – Affordable Housing Needs

Question 3. 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?

- 2.23 In response to the latter, our view is 'No'. See response to Question 2 (Paragraphs 2.5-2.10) for avoidance of repetition.

-End-

⁷ Paragraph 16, NPPF (2021)