

**Tunbridge Wells Local Plan Examination -
Matter 2 (Housing and Employment Needs
(Policy STR1))**

Statement on behalf of Bellway

May 2022

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Client
Bellway Homes Limited

Our reference
BELR3032

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1. Statement on behalf of Bellway to Matter 2 of the Tunbridge Wells Local Plan Examination

- 1.1 The following sets out a response on behalf of Bellway Homes Ltd to matter2 of the Tunbridge Wells Local Plan Examination in relation to housing and employment needs.

Matter 2 – Housing and Employment Needs (Policy STR1)

Issue 1 – Housing Needs and the Housing Requirement To determine the minimum number of homes needed, paragraph 61 of the National Planning Policy Framework ('the Framework') states that strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals. In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for.

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')?

- 1.2 The Local Housing Need is said (by the Council at paragraph 4.10 of the Submission draft Local Plan), to result in a figure of 678 dwellings per annum. Paragraph 4.10 of the Submission draft Local Plan suggests “that national policy clarifies that this would be a minimum target.” However that language is not used in paragraph 61 of the NPPF – which refers to “the minimum number of homes needed”. In our view, describing (or implying that national policy does so) that the Local Housing Need is a ‘minimum’ target is misleading as a ‘target’ implies something to be aimed for. We consider that paragraph 4.10 (and any associated policy references) should refer to the Local Housing Need as either the “minimum number of homes needed” (as per the NPPF) or the minimum requirement. That approach then supports the view that the Local Housing Need is the minimum level of housing to be supported, not targeted.
- 1.3 We raise no fundamental concerns as to how the Local Housing Need, derived from the Standard Method has been calculated. However concerns are raised as to how this influences, and is manifested, as the Local Plan housing requirement via Policy STR 1.

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?

- 1.4 We refer to our responses to other questions for Matter 2, namely in relation to affordable housing and other matters related to affordability.
- 1.5 It may be a matter of interpretation as to whether these represent an “alternative approach to using the standard method”, but in our view they represent clear and robust reasons (in addition to any wider issues such as unmet needs of other authorities) for increasing the housing requirement over the ‘minimum’ Local Housing Need figure.

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?

- 1.6 We do not comment in relation to each neighbouring local authority, and instead provide two examples which, in our view, support an approach where this Local Plan makes provision for housing to help meet the needs of neighbouring areas.
- 1.7 We understand that there is an outstanding request from Sevenoaks District Council that Tunbridge Wells Borough accommodate some of its housing need. We recognise that Sevenoaks District Council is in the process of preparing a new Local Plan, however that authority previously argued that it was unable to accommodate all of its needs (in the now withdrawn Local Plan) and the outcome and timescales of the new Local Plan are unclear. In that context we consider that it is reasonable for the Local Plan for Tunbridge Wells Borough to include an increased housing requirement in order to assist the needs of this neighbouring authority.
- 1.8 We also refer to the wider relationship of Tunbridge Wells Borough with other local authorities, such as Wealden District. Wealden District also withdrew its draft Local Plan during the course of the Examination. That Plan was only intended to cover the period to 2028 and was based on reduced housing requirements itself. Document 3.152e includes a letter from Wealden District Council to Tunbridge Wells Borough Council which states “The formal request set out in your letter refers to Wealden District Council (WDC) accommodating some, or all, of Tunbridge Wells Borough Council’s (TWBC’s) unmet development needs.”
- 1.9 The letter from Wealden District Council at document 3.152e also states “*The Council [Wealden] last published its Strategic Housing Market Assessment (SHMA) in August 2016 and this concluded that a wider Housing Market Area (HMA) for WDC was clearly defined, and included Eastbourne Borough Council, Tunbridge Wells Borough Council, Rother District Council, Lewes District Council and Mid Sussex District Council.*”
- 1.10 In our view there are clear and functional links between parts of Wealden District and Tunbridge Wells Borough. Whilst we acknowledge that Wealden District Council is in the early stages of preparing its own Local Plan, the previous examination means that the outcome of this process (including whether a sound plan can be prepared, and the level of growth it accommodates) cannot be certain. For that reason we consider that it is reasonable for the Local Plan for Tunbridge Wells Borough to include an increased housing requirement in order to assist the needs of this neighbouring authority.

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

- 1.11 The answer to this question will inevitably be influenced by the point at which the Local Plan is adopted (assuming it is found sound). The Plan-period currently runs to 2038 (the 31st March). In our view, to provide a 15 year period from adoption, the Plan would need to be adopted by the end of March 2023. If it is adopted after that date, then it would provide only a 14 year period at most.

1.12 In any event, the requirement at paragraph 22 of the NPPF is that:

“Strategic policies should look ahead over a minimum 15 year period from adoption, to anticipate and respond to long-term requirements and opportunities, such as those arising from major improvements in infrastructure. Where larger scale developments such as new settlements or significant extensions to existing villages and towns form part of the strategy for the area, policies should be set within a vision that looks further ahead (at least 30 years), to take into account the likely timescale for delivery.”

1.13 In our view, this is clearly a Plan which envisages significant scale development, and so it is concerning that the LPA seeks to cover (at most) the minimum Plan-period required by the NPPF (but in reality possibly less than the minimum)

At the heart of the Framework is a presumption in favour of sustainable development (paragraph 10). For Plan-making, paragraph 11b) states that strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas, unless i) the application of policies in the Framework that protect areas or assets of particular importance provides a strong reason for restricting the overall scale, type or distribution of development in the plan area; or ii) any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in the Framework taken as a whole. The policies referred to in paragraph 11b) relate to, amongst other things, land designated as Green Belt and Areas of Outstanding Natural Beauty (‘AONB’s).

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?

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

1.14 We respond to questions 5 and 6 in combination given the commonality of the issues involved.

1.15 We do not consider that 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. There are clear reasons why this Local Plan should support housing and economic growth (for example the recognised high housing prices and need for affordable housing) and the significant parts of the Borough which are subject to either (or both) of these designations.

1.16 The first point we note is that there is no bar, as a matter of principle and national policy to Local Plans allocating land for development in the Green Belt and/or the AONB, although such designations should of course be taken into account in the Plan-making process.

1.17 In this case, section 2 of the Submission draft Local Plan explains how “Together, the AONB and Green Belt cover 75% of the borough, with substantial overlaps” and also explains how these designations apply to the more sustainable settlements.

- 1.18 In our submission, the presence of these designations should not be applied to reduce the housing requirement below the Local Housing Need figure, and it is encouraging that the Council has not sought to do so.
- 1.19 We also submit that the LPA has not sufficient and robustly considered other opportunities to accommodate growth. This concern has consequences in relation to the sites which have been selected/rejected, and also go to the heart of whether this Plan could accommodate additional growth, for example in the context of addressing unmet needs of other authorities, or addressing the local affordable housing need.
- 1.20 In addition, we refer to the Development Strategy Topic Paper (CD3.64), in particular paragraphs 6.14 and 6.15. At paragraph 6.14, the Topic Paper recognises the need for exceptional circumstances to release land from the Green Belt. Clearly, that policy is not an absolute restriction and we draw attention to the Council's emphasis on discussions with neighbouring authorities. In relation to paragraph 6.15 and the AONB, we submit that the Council draws attention to the wrong part of that paragraph as it refers to applications for major development in the AONB (the latest NPPF paragraph on that matter is at 177).
- 1.21 It is also clear from the Council's 'Development Strategy Topic Paper – revised October 2021' (CD3.126) at paragraph 6.171 that the Council continues to consider that there are exceptional circumstances for development in the AONB as it states:

“While some ‘major’ developments are proposed, the review of both national AONB policy and the defining characteristics of the High Weald AONB, in addition to individual site circumstances has led the Council to reject options put forward for strategic growth of the scale of a new settlement in the High Weald AONB. This is elaborated upon in Part G in relation to locations for strategic growth.”

Issue 2 – Affordable Housing Needs

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

- 1.22 Paragraph 3.10 of the Council's Housing Needs Topic Paper (February 2021) explains:

“An updated assessment recently commissioned by the Borough Council is provided in the ‘Review of affordable housing needs in the context of ‘First Homes’ (2021). This suggests an annual need for around 323 affordable homes, essentially for rented housing, with some need for affordable home ownership, but which is difficult to quantify.”

- 1.23 Paragraph 3.11 of the Topic Paper continues by stating that “Notwithstanding the variations, it should be noted that all three studios show that there is a substantial need for affordable housing in the Borough and that contributions to affordable housing should be maximised wherever possible.”

- 1.24 Taking the comment in the Topic Paper that there is a need for around 323 affordable homes per annum during the Plan-period, that equates to 5,814 affordable dwellings in total.
- 1.25 In our submission, that is a substantial level of affordable housing need, which should also be seen in the context of the fact that paragraph 2.15 of the same Topic Paper explains that *“With its relatively high house prices, application of the affordability uplift to the borough produces a figure of 741 dwellings/year.”*
- 1.26 However the Topic Paper also explains that:
- “It also finds that the higher, uncapped need may also be achievable, notwithstanding this would involve a further significant increase over recent building rates. However, it concludes that it would not be unreasonable for the Council to adopt the capped standard method need, having regard to the concentration of growth potential in the west of the borough, the fact that it will be a ‘minimum’ requirement, and the benefits to housing delivery of getting an up-to-date plan in place as soon as possible.”*
- 1.27 Bellway consider that the housing requirement should be increased in order to help tackle the identified issues of housing affordability in the Borough. In the event that the housing requirement is not increased in this manner then this only heightens the imperative of ensuring that the Local Plan establishes a planning policy context, by virtue of the sources of supply, allocations and distribution strategy which ensures that the planned level of growth can be achieved. Despite the Topic Paper explaining that the uncapped figure could be achieved, the LPA has not made any steps to address these issues.
- 1.28 Notwithstanding the application of the ‘cap’ in the standard method, the Council’s own evidence demonstrates that the application of the affordability uplift itself would result in a housing requirement in excess of 678 dwellings per annum.
- 1.29 In relation to the issue of affordability and house prices, we refer to other aspects of the Council’s evidence base, including the 2018 Housing Needs Study (doc 3.9) stated:
- “3.10 The relative affordability of open market dwellings in the Borough of Tunbridge Wells is compared with the other local authorities in Kent in Tables 3.2 and 3.3. These tables are produced by CLG, based on a ratio of earnings to house prices using Land Registry Price Paid and ONS Annual Survey of Hours and Earnings data.”*
- “3.11 In terms of relative affordability (ranked based on 2016 most-to-least affordable), Tunbridge Wells Borough is the second least affordable local authority area, with a lower quartile house price to income ratio in 2016 of 12.1, i.e. lower quartile house prices are 12.1x lower quartile gross earnings. We consider that the need for affordable housing should be set out in the Local Plan. Regardless of whether this should be in the supporting text or in Policy (which we suggest is appropriate given the significance of the matter, especially in this Borough), the level of affordable housing need is conspicuous by its absence.”*

“3.12 Similarly, in terms of relative affordability based on median prices, Tunbridge Wells Borough is again the second least affordable local authority area, with a median income to house price ratio in 2016 of 11.1, as illustrated in Table 3.3. This is again based on Land Registry Price Paid and ONS Annual Survey of Hours and Earnings data.”

- 1.30 The text in the Local Plan also supports the case that there is a significant affordability issue in the Borough as it states (paragraph 2.19) that:

“Indeed, the relative affordability of homes in Kent as a whole has worsened in both absolute terms and relative to the rest of England. The relative economic strength of London, and its housing market, is undoubtedly a key influence.”

- 1.31 For these reasons, and the significant affordability issues / need for affordable housing in the Borough, and to provide clarity to decision-makers, developers and local communities, Bellway consider that the need for affordable housing should be clearly set out in the Plan.

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

- 1.32 We do not dispute the calculation of the need for affordable housing in the Borough. Our concern remains the fact that the Local Plan does not include measures to address issues such as the high cost of housing and affordable housing need in the Borough.

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?

- 1.33 Policy H 3 seeks 30% affordable housing on brownfield sites, and 40% on greenfield sites.
- 1.34 Since part of the Plan-period has already occurred, and therefore some dwellings have been delivered, and because the the Local Plan supports the delivery of both PDL and greenfield allocations, there is no particular clarity as to the overall level of affordable housing delivery it would support.
- 1.35 However it is important to note that 323 affordable homes per annum is equivalent to 47.64% over the overall Local Housing Need figure of 678 dwellings per annum.
- 1.36 On that basis, even if all new homes delivered during the Plan period were subject to the requirement for 40% affordable housing in Policy H3) then it is clear that the affordable housing need of the Borough would not be addressed. However that is an entirely unrealistic application of Policy H 3 as not all housing will be on greenfield sites, and not all schemes will be viable will the full application of the requirements in that Policy. As a consequence it is clear that the actual level of affordable housing would be even less and so in reality the Plan will represent a greater failure to properly address affordable housing needs despite the acknowledged issue of high house prices.

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