

TONBRIDGE & MALLING BOROUGH COUNCIL

PLANNING and TRANSPORTATION ADVISORY BOARD

14 June 2011

Report of the Director of Planning, Transport and Leisure

Part 1- Public

Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)

1 TUNBRIDGE WELLS CORE STRATEGY REVIEW – RESPONSE TO CONSULTATION

Summary

Tunbridge Wells Borough Council (TWBC) is consulting on a review of their Local Development Framework (LDF) Core Strategy. The review focuses on certain matters, primarily relating to housing numbers. This report recommends a response to TWBC on the consultation document.

1.1 Background to the Core Strategy Review

1.1.1 On 17 June 2010, Tunbridge Wells Borough Council (TWBC) adopted their Core Strategy which sets out long-term aims for new development in the Borough, as well as the fundamental principles with which proposals for development must comply. The Core Strategy sets out how much development will happen and broadly where it will go.

1.1.2 The principle reason for the immediate review is the set of changes to the planning system proposed by the coalition Government, most notably the proposal to abolish the South East Plan and with it regional housing targets. TWBC have also been concerned about amendments to **Planning Policy Statement (PPS) 3: Housing** which exclude gardens from the definition of previously-developed land and remove minimum density standards for new housing developments.

1.2 Review Matters

1.2.1 There are several matters that are the focus of the review. Not all of these are directly relevant to the Borough Council including:

- Changing the definition of Hawkhurst (Highgate) in the Borough's hierarchy of settlements from a "Small Rural Town" to a "Village"
- Making no changes to inner Green Belt boundaries before 2026

- Carrying over the Special Landscape Area designation from the Local Plan to the Core Strategy
- 1.2.2 The matters of resisting ‘garden grabbing’ and the removal of minimum density requirements for residential development have been addressed at national level by the Government through the publication of the revised PPS3 on Housing. It is quite clearly not the role of LDFs to repeat national policy, but to develop locally distinctive policies that build upon national guidance. The reason why this has been identified as a matter in the review document is because TWBC consider that the removal of minimum densities allow for a more flexible approach to take into account other factors including local character. This does not seem to be a matter for a Core Strategy.
- 1.2.3 Designating Special Landscape Areas (SLAs) is not in accordance with national Planning Policy Statement (PPS) Note 7: Sustainable Development in Rural Areas, which only allows for criteria-based policies. The Inspector, in her report on the soundness of the Tonbridge and Malling Borough Core Strategy, came to exactly that conclusion and rejected the designation of SLAs.
- 1.2.4 The remaining matters (see listed below) are potentially of direct relevance to the Borough Council and form the basis for the response to the consultation document:
- Reducing housing numbers (below 6,000 units)
 - Making an allowance for windfall development in the first 10 years of the plan
 - Reducing the number of Gypsy & Traveller pitches from the current proposed level (in an incomplete partial review of the South East Plan)
- 1.2.5 The following section of the report outlines the issues and options put forward by TWBC for each matter followed by a proposed Council response.

1.3 Detailed Matters

Reducing housing numbers (below 6,000 units) + making an allowance for windfall development and rural exception sites

- 1.3.1 These issues are inextricably linked, with the latter two, in particular the allowance for windfall development, pivotal to achieving a reduction in housing numbers.
- 1.3.2 The starting point is the target of 6,000 net additional dwellings during the period 2006-2026 identified in the adopted Core Strategy (June 2010). This is the figure in the approved South East Plan (SEP) (May 2009). During the preparation and consultation on the SEP, TWBC supported the draft proposal of 5,000 units over the period to 2026 but this was increased to 6,000 units by the panel of independent Planning Inspectors appointed to examine the soundness of the Plan. However, the Government, through the Localism Bill, proposes to revoke

Regional Plans and the targets contained within them. TWBC therefore needs to consider options for alternative targets.

1.3.3 Four options for setting a local housing target are proposed. They are:

- Option 1: target of 5,455 homes. Target and distribution determined without the need for future greenfield allocations
- Option 2: Target of 6,000 homes distributed to meet housing needs where they arise
- Option 3: Target of 6,000 homes retaining the same distribution as the adopted Core Strategy (i.e. the no change option)
- Option 4: Target of 5,000 homes retaining the same proportional distribution as the adopted Core Strategy

1.3.4 Whilst TWBC does not explicitly commit to a preferred option, stating it considers “...each Option to be a reasonable alternative...”, the Council clearly sets out a detailed rationale for reducing the figure to 5,455 units over the plan period, i.e. Option 1.

1.3.5 This rationale is based upon demographic projections from Kent County Council (dated 2006) and takes into account the contribution of housing from various sources. These sources include ‘matter of fact’ figures such as residential completions from the base date of the plan (2006) to 31 March 2010 and outstanding planning permissions for residential units as of 1 April 2010 (taking into account a 10% lapse rate). A very small contribution from identified small sites (smaller than 0.2 hectares) is included.

1.3.6 The other sources are not ‘matter of fact’ and are a mixture of assessed potential and allowances based upon historical levels and patterns of development. The assessed potential is the likely yield of residential development on previously developed land (reflecting the revised definition in PPS3) that will come forward during the plan period. TWBC has assessed sites submitted to the Council for potential allocation and discounted sites which are unlikely to be delivered based upon whether there is confidence that they will be available, suitable and achievable.

1.3.7 The remaining sources are allowances. These include an allowance for windfall development, i.e. development that takes place during the plan period which has not been specifically allocated/identified for such purposes, and an allowance from the development of rural exception sites to meet identified local need (based upon surveys of each parish).

1.3.8 **Response** – The basis for calculating the likely growth in the number of households during the plan period is not up-to-date and therefore not wholly robust. The figures used are sourced from a 2006-based projection from Kent

County Council (KCC). KCC is expected to produce a 2008-based projection in the next couple of months which will help inform our own consideration of the need to review the T&M LDF. It would be sensible to wait and utilise the forthcoming projections because they are current and therefore a more accurate estimate of the likely number of households that will be created during the plan period. The reason why this is an important issue is because central Government's own 2008 based projections are quite significantly higher than their 2006 based projections: an increase from 6000 additional households (net) by 2026 to 10,000 additional households (net) by the end of the plan period. This equates to an increase of 67%. Bearing in mind KCC's 2006 based projections are similar to the Government's 2006-based projections, there is a distinct possibility that TWBC is significantly under-estimating the likely number of additional households it will need to plan for. A more cautious approach is recommended and that the review is delayed until current and therefore more robust figures are available to develop options from.

- 1.3.9 There is sound reasoning to take into account the potential contribution from windfall developments. Whilst it is not possible to confidently predict the exact contribution that windfalls can make, there is a high degree of confidence that there will be a constant supply of dwellings from this source during the plan period. The important factors are the robustness of the evidence base for this calculation and the level of caution adopted in calculating the likely level of the contribution. The Typical Urban Character Area Assessment (TUCAA) produced by TWBC is a detailed piece of evidence to inform the calculation for the windfall allowance. It has examined the previous supply of windfall, examining their characteristics of the sites, and has taken into account important factors including the revisions to PPS3 and the character of the urban areas. Discounting the contribution from windfall in the first 10 years of supply by not including an allowance for the three year period (1 April 2010 to 31 March 2013) is supported because this would avoid double-counting.
- 1.3.10 However, there is no evidence of discounting the final calculated figure for windfall for Tunbridge Wells and Southborough (e.g. a 30-50% reduction) to reflect the degree of uncertainty that is associated with the likely level of this form of development. If the housing supply figure is to take into account a windfall allowance then it should be a conservative one to reflect the variable nature of supply from this source. Such a more cautious approach would improve the robustness of the methodology and make this option less susceptible to challenge. It is also important to not incorporate an optimistic allowance because windfall development is not site specific which makes it very difficult to determine the exact form and level of infrastructure that would be necessary to support it.
- 1.3.11 This is a very significant issue because the Government expects a Community Infrastructure Levy (CIL) to be in place by 2014. CIL is a charge on development to pay for necessary infrastructure to support it. If an optimistic allowance is made for windfall then a higher levy than is necessary may be calculated which is likely to be successfully challenged by developers when the CIL is prepared. At the

same time, an optimistic allowance could hamper the calculations for CIL because windfall development is an allowance and is not site specific. Currently Option 1 - which is focussed on reducing housing numbers – includes a windfall allowance of 1274 dwellings. This represents 23.4% of the total housing supply for the plan period. This proportion increases to 30% when the contribution from rural exception sites is included. It is evident that the contribution from rural exception sites is an allowance because the Core Strategy Review document states at para. 3.50 that: “...*in most cases specific sites have not yet been identified...*”. Clearly this is not an insignificant contribution and it is one that could present significant problems when developing an Infrastructure Plan and Charging Schedule which are necessary elements of CIL. On this matter, there is no reference to CIL in the review document. This omission needs to be explained because preparation of a CIL is a statutory requirement. It is understood that collaborative working with other authorities, in particular KCC, is likely to be required but this is not a reason for the matter to be excluded from the review document.

- 1.3.12 Finally, the evidence base for all of the options does not include a Strategic Housing Market Assessment (SHMA) or a Strategic Housing Land Availability Assessment (SHLAA). Existing Government advice in the revised PPS3 (para.11) states: “...*Local Development Documents and Regional Spatial Strategy policies should be informed by a robust, shared evidence base, in particular, of housing need and demand, through a Strategic Housing Market Assessment and land availability, through a Strategic Housing Land Availability Assessment.*” From what has emerged so far in terms of the National Planning Policy Framework, the need for the preparation of a SHMA and a SHLA as part of the evidence base for calculating housing requirements still remains. Although in our own early work of the T&M LDF we were able to address such matters in a less formal way, these will be necessary tasks when the T&M Core Strategy and land allocations are reviewed in due course.

Reducing the number of gypsy & traveller pitches

- 1.3.13 In light of the current consultation on a new draft Circular to replace the existing Circular dealing with Gypsy and Traveller Caravan Sites (01/2006) TWBC has decided that it would not be reasonable to propose a pitch provision now or to begin the site allocation process. In the interim TWBC proposes, as one option, to review existing criteria-based local planning policies on the matter, with a view to strengthen the Council’s policy position in the short-term and provide a firmer basis for site identification in the longer-term.
- 1.3.14 **Response** – The approach of waiting for a formal policy decision to be confirmed by the Government, following consultation on the draft replacement Circular, is a sensible approach to adopt and is supported. There is no value in undertaking a review based upon a Circular which the Government themselves considers out-of-date in the context of wider reforms of the planning system. It is considered that this ‘wait and see’ approach should be adopted to the matter as a whole and that the option of reviewing existing local planning policies to possibly strengthen them

in the very short-term would be unwise, particularly as the national planning policy context that will shape them is in a state of flux. There is a danger of repeating matters that will be covered by the replacement Circular or adopting an approach that is contrary to the national policy. If there is considerable support for the option of reviewing existing local planning policies, then this exercise should be undertaken in the context of the details in the draft replacement Circular.

1.4 Conclusion

- 1.4.1 Overall this review of TWBC's Core Strategy seems premature. It is untimely in that it predates key changes to the planning system, in particular the publication of the draft National Planning Policy Framework which is due in the summer 2011. It also predates the release of more up-to-date household projections from KCC – the key component for calculating the level of housing need during the plan period – which are also due for publication this summer. There is a significant danger that by pursuing the review based upon existing information, the robustness of the evidence base and the soundness of the replacement policies will be prone to a significant challenge.
- 1.4.2 In addition, some of the allowances made for the supply of housing from certain sources which are not site specific, i.e. windfall and to a lesser extent rural exception sites seem over optimistic. Whilst the evidence base seems to be quite robust in that it looks at previous windfall developments and takes into account important factors such as changes to PPS3 published in 2010 and the character of local areas, no discounting is made of the final calculated figure to reflect the uncertainty over the supply of housing from this source. This could have consequences for meeting housing demand and need and could create unwanted pressures for additional land release.

1.5 Legal Implications

- 1.5.1 None. This is a response to a neighbouring authority's consultation document.

1.6 Financial and Value for Money Considerations

- 1.6.1 None at this stage but if TWBC accepts the Council's response on assessing the currency of the existing SHMA, there may be a cost implication in terms of a contribution to updating the Assessment.

1.7 Risk Assessment

- 1.7.1 No risks because this is a response to a neighbouring authority's consultation document.

1.8 Equality Impact Assessment

- 1.8.1 See 'Screening for equality impacts' table at end of report.

1.9 Recommendations

1.9.1 The views on TWBC's Core Strategy Review document (May 2011) as set out in this report be transmitted to Tunbridge Wells Borough Council in response to its consultation.

The Director of Planning, Transport and Leisure confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

contact: Nigel De Wit

Tunbridge Wells Borough Local Development
Framework: Core Strategy Review (May 2011)

Steve Humphrey
Director of Planning, Transport and Leisure

| Screening for equality impacts: | | |
|---|---------------|---|
| Question | Answer | Explanation of impacts |
| a. Does the decision being made or recommended through this paper have potential to cause adverse impact or discriminate against different groups in the community? | No | This is a response to a neighbouring authority's consultation |
| b. Does the decision being made or recommended through this paper make a positive contribution to promoting equality? | No | This is a response to a neighbouring authority's consultation |
| c. What steps are you taking to mitigate, reduce, avoid or minimise the impacts identified above? | | |

In submitting this report, the Chief Officer doing so is confirming that they have given due regard to the equality impacts of the decision being considered, as noted in the table above.