Tandridge Local Plan 2033 Examination

Examination Statement in respect of Matter 2: The Provision of Housing

Brookworth Homes Ltd

September 2019
1. Introduction

1.1 This Statement has been prepared on behalf of Brookworth Homes Ltd. Representations were submitted by Turley on behalf of Brookworth Homes Ltd to the Regulation 19 Draft Local Plan 2033 (DLP) in September 2018 (Council ID reference 1742).

1.2 In short, the representations focussed on the lack of sufficient justification for a housing requirement in the Plan which falls significantly short (3,334 dwellings) of the Council’s own assessment of Objectively Assessed Needs (OAN). This justification is almost entirely focussed on the Green Belt as a key and over-arching constraint.

1.3 Whilst the significance of the Green Belt is acknowledged, in accordance with the national guidance (Paragraph 84 and 85, NPPF 2012) the Plan provides an opportunity to review the Green Belt boundaries, in the context of meeting identified requirements for sustainable development.

1.4 The Plan does commit to release some sites from the Green Belt and identify them as allocations within the Plan. However, there remains a significant under provision of housing against OAN, which runs contrary to the government’s objective to significantly boost the supply of housing (Paragraph 47, 2012 Framework) and to ‘positively seek opportunities to meet the development needs of the area’” (Paragraph 14 and 157, 2012 Framework), will lead to a worsening affordability crises across the District, and have implications for the wider housing market area.

1.5 Section 2 of the Statement provides responses to the key questions set out within the Inspector’s Initial Matters, Issues and Questions (ID/5 V3) in respect of Matter 2.

1.7 This Statement should be read in conjunction with the Statement prepared on behalf of Brookworth Homes and in respect of Matter 3 : The Spatial Strategy.
2. Response to Matter 2: The provision of housing

A: Calculation of the Objectively Assessed Need for Housing (OAN)

**Issue: Is the basis for establishing the OAN for Tandridge consistent with national policy and guidance?**

Q2.1 Is the preparation of the SHMA on the basis of a Housing Market Area (HMA) defined for Tandridge District justified? Is the definition of the HMA consistent with the Planning Practice Guidance?

2.1 Document HNS2 suggests that the Tandridge HMA is justified because other neighbouring authorities already have Plans in place. That is insufficient justification for the definition of the HMA. The SHMA should establish the needs in the HMA (the Council’s own evidence indicates a wider HMA). The ability of the Authority to accommodate those needs, including of other authorities does not mean that the obligation to identify the needs of the area should be set aside. Whether they can be met is a separate and subsequent question.

Q2.2 Is the use of the 2016 based household projections justified in calculating the OAN for the District and is it consistent with the Planning Practice Guidance?

2.2 Whilst the 2016 household projections offer the latest evidence of household growth, TDC must take into account the government’s concerns in using these latest projections, which do not sit comfortably with the governments intentions to build 300,000 homes per annum by the mid 2020’s, and are likely to be reflective of suppressed household formation.

2.3 The use of 2014 projections in determining housing requirement is now included in national guidance (NPPG 2a-005-20190220), and although not directly applicable to the Local Plan as submitted prior to the transition period, must still be of some relevance given the 2012 Framework still seeks to ‘significantly boost supply’ and ‘positively seek opportunities to meet development needs in the area’.

Q2.3 Is the 20% Market Signals adjustment justified?

2.4 TDC is self-evidently one of the least affordable places to live in the country (the lower quartile house price almost 14 times the lower quartile income for people working in the district) Document HNS12. It has a significant and growing affordable housing need. Whilst it is recognised that 20% represents a significant uplift and is at the upper end of adjustments that have been applied to other recently adopted Local Plans, if any LPA required a further adjustment upwards it is TDC.

Q2.4 Is the approach to defining affordable housing needs justified?

2.5 No comment

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1 Updating the Objectively Assessed Housing Needs of Tandridge 2018
2 Analysis of Market Signals for Tandridge Updated 2018
Q2.5 Are the assumptions made in respect of employment growth realistic?
2.6 No comment.

Q2.6 Are there other relevant factors to be taken into account in calculating the OAN?
2.7 Had the Local Plan been submitted after the 24th January 2019 (only one week later than it was) then the housing requirement would have been based upon the standard methodology which (in our opinion) would require 648 dpa. This would have assisted in meeting the significant level of affordable housing need identified in the Council’s own evidence.

B: The housing requirement

Issue: Is the plan positively prepared and justified given that the Plan provides for 6,056 homes in the Plan period, against the OAN of 9,400 as set out in the Publication Plan and the OAN of 7,960 set out in the document Updating the Objectively Assessed Housing Needs of Tandridge (HNS5)?

Q2.7 Is the Plan justified in not meeting the full OAN for Tandridge and is it consistent with paragraph 14 of the Framework?
2.8 No. Whether the housing requirement should be 9,400 or 7,960 dwellings as claimed by the LPA in document HNS5, the Plan does not provide for those needs by a significant margin.

2.9 Document HNS5 concludes:

- A figure of 332 dpa for Tandridge’s demographically based housing need; and

- Applying a 20% market signals uplift gives a housing need of 398 dpa.

2.10 The Plan fails to provide for demographic needs nor affordable housing needs as established in Document HNS11:

“The updated calculation indicates that 391 affordable homes are needed annually in Tandridge over the next five years, in order to both clear the existing backlog and meet new need arising during this period”

Q2.8 Have all realistic options for meeting the OAN within Tandridge in full been exhausted?
2.11 No.

2.12 Document HNS2 states “Through the Local Plan evidence gathering process over 300 sites delivering 22,550 dwellings”. Brookworth have significant concerns regarding the extent to which the Council has thoroughly interrogated these options.

2.13 Having identified a significantly greater supply of sites (see Document SAD6 where sites are found to be deliverable, developable and in accordance with the preferred spatial

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3 Updating the Objectively Assessed Housing Needs of Tandridge 2018
4 Affordable Housing Needs Assessment for Tandridge Updated 2018
strategy), many of these have been arbitrarily discounted in other documents, for example, via the inconsistent (and restricted) assessment of sites in the Green Belt.

Q2.9 What are the consequences of not meeting the OAN within the HMA for delivering a wide choice of high-quality homes, widening opportunities for home ownership and creating sustainable, inclusive and mixed communities which meet the needs of different groups in the community?

2.14 The suppressed housing requirement/supply means that fewer houses will be provided than required, and the opportunities for home ownership will be restricted, and a consequential failure to make any meaningful contribution to affordable housing needs.

Q2.10 Would and/or where would any unmet housing need arising in the Tandridge HMA during the Plan period be met?

2.15 Document HNS2 refers to the prospect of unmet need being accommodated through a review of the Reigate & Banstead Core Strategy which is to be undertaken in 2019. That LPA has recently decided not to review its Core Strategy, and so we do not consider that TDC should place any reliance on Reigate & Banstead as an opportunity to accommodate its unmet need.

2.16 Document HNS2 does not refer to any other opportunities to accommodate unmet need arising from within Tandridge. Indeed, TDC concede that its neighbouring authorities are also constrained and cannot meet their unmet needs (e.g. Sevenoaks District Council to the immediate east is also not providing for its full need.)

2.17 Brookworth consider that there is no realistic prospect of Tandridge’s unmet need being addressed. This potential accumulation of unmet needs is significant, and places greater emphasis on ensuring that at the very least all opportunities should be taken to meet TDC needs.

C: The overall supply of housing

Issue: Is the proposed supply of housing for the Plan period realistic?

Q2.11 Does the housing trajectory set out in the Housing Topic Paper (HNS2) provide a sound basis for meeting the identified housing need?

2.18 Fundamentally “no”. Whether the ‘identified housing need’ is based on the Local Housing Need figure (648dpa), the OAN of 9,400 or 7,960 dwellings as set out in document HNS5, basing a Plan on the supply of 6,506 dwellings (303dpa) does not meet ‘need’. The degree of the shortfall is substantial, irrespective of the requirement against which it is based.

2.19 In any event, it is clear from the Local Plan itself (TLP01: Spatial Strategy) that the expected sources supply provide for 6,506 dwellings, including the contribution that come from windfall sources, town centre initiatives and an empty home allowance.
2.20 There is no flexibility within the Local Plan to allow for the fact that some of these sources may not deliver as expected. This represents a very significant risk that the housing requirement in the Plan (itself already suppressed from the identified need) will not be achieved.

2.21 On this basis (irrespective of whether the Plan is based upon an appropriate assessment of housing need), it fails to accord with the NPPF 2012 (paragraph 14) requirement that “Local plans should meet objectively assessed needs, with sufficient flexibility to adapt to rapid change”.

Q2.12 Is the housing trajectory realistic and deliverable in terms of its components and are there any threats to delivery?

2.22 We have not provided detailed comments on the trajectory at Appendix 3 of Document HNS2 as that does not provide a detailed analysis of delivery rates based on evidence. On that basis, we consider that there should be a significant degree of uncertainty as to whether even the suppressed housing requirement can be achieved.

Q2.13 Is the contribution towards housing supply of housing from windfall, town centre initiatives and the predicted supply of 20 vacant dwellings per annum being brought back into use realistic and justified?

2.23 Document HNS2 envisages that these sources of supply deliver 1,016 dwellings in the Plan period, representing 17.52% of the overall supply. However, the Council cannot have any certainty that these sources will contribute as expected. The significant reliance on these sources of supply represents an inherent risk to the delivery of the Plan’s requirements.

Q2.14 Is it justified that HSG20; North Tandridge: One Public Estate (NTOPE), Caterham is included in the housing trajectory?

2.24 It appears as though there is a significant degree of uncertainty regarding the deliverability of this scheme. As the Plan itself acknowledges, the contribution of 82 dwellings “stems from the Council’s current understanding of the assets that could be included within the programme”. Since the area of the allocation has not been defined, that compounds the uncertainty.

Q2.15 In broad terms, is the housing development proposed in the Plan and set out in the trajectory based on a sound understanding and robust evidence of viability?

2.25 We have not provided specific comments in this regard but refer to our previous representations regarding infrastructure provision.

Q2.16 Given that the proposed South Godstone Garden Community is intended to deliver around 1,400 new homes in the Plan period and the details of the development would be considered by an Area Action Plan (AAP), would it be effective to include within the Plan a Policy which commits the Council to a review of the Plan if the AAP is not adopted by a specified date in order to sustain the supply of housing?

2.26 There is significant uncertainty regarding the deliverability of the Garden Community (GC) within the Plan period. Document SAD2 considers three options regarding the deliverability of the Garden Community and it appears as though the potential use of CPO powers is being considered.
2.27 The Council has not identified the area of land which will be released from the Green Belt to provide for the Garden Community. An Area of Search is established, however there is no certainty that parts of this area will be developable or be released from the Green Belt based upon evidence undertaken to inform the AAP.

2.28 We note that Document HNS2 (paragraph 374) envisages the AAP preparation process will commence in 2019. We invite the LPA to confirm whether that process has commenced, bearing in mind the progress of the Local Plan Examination and the objections to this GC. Appendix 3 of Document HNS2 expects that development within the GC will commence in 2026/27 and deliver a consistent rate of 200 dpa before the end of the Plan period (1,400 by 2033).

2.29 The Foreword to the Plan acknowledges that “A Garden Community can take at least 6 to 10 years to plan and formulate policy for.” The LPA’s LDS for 2018 (Document OTH2) envisages that the AAP could be adopted in April-June 2023, leaving only three years before the LPA expects the GC to begin delivering homes. The LPA’s assumptions are that the site delivers approximately 7 years from when they expect the Local Plan to be adopted.

2.30 This is incredibly optimistic. The Lichfield report ‘From Start to Finish’ (Nov 2016) identifies average ‘lead in times’ from application submission to determination of around 6 years for sites larger than 2,000 dwellings.

2.31 The GC is complicated by the need for an AAP to be prepared and (as demonstrated by Document SAD2), potentially for land to be secured and the complex range of infrastructure needs associated with it in the IDP (see pages 30 – 33 of Document INF1).

2.32 There is no guarantee that the 1,400 dwellings will be delivered within the Plan-period. The proposal for GC has simply not been developed to a point where it is possible to suggest (with any confidence) when it will come forward and it will not be advanced until some significant way through the remaining Plan period.

2.33 The fact that there is such uncertainty regarding the deliverability of the GC is of significance since 1,400 dwellings represents nearly a quarter (23.12%) of the total expected supply to 2033. This could have very severe consequences for the achievement of the housing supply expected (compounding the fact it already falls short of requirements.)

2.34 Nearly a quarter of the Plan’s expected supply is therefore to be delivered from within an area of search where the site has not been identified and which will not be identified for some years, then has to be released from the Green Belt, with a potential need to secure land and with all other normal planning requirements to be discharged.

2.35 By our calculations (and using Appendix 3 of Document HNS2), if the delivery of the GC were delayed by just four years (starting in 2030/31, although we maintain that even that is optimistic) that would remove 800 dwellings from the overall supply (more than 10% of the total expected).
2.36 The delivery of the GC is so uncertain that its retention within the Plan renders it unsound, compounding the fact that the GC is expected to make such a significant contribution to housing supply.

2.37 If the GC is retained, the anticipated supply within the Plan period should be reduced accordingly. This further emphasises the need to identify additional sites to provide greater opportunities to achieve the housing requirement (whatever that ends up as).

D: Five year housing land supply

**Issue: Would the Plan secure a five year supply of deliverable housing sites?**

**Q2.17 Will the Plan provide for a five year supply of deliverable housing sites on adoption?**

2.38 The Local Plan could result in a 5YHLS on adoption assuming all sites immediately begin to deliver as expected. That is incredibly optimistic as in our view it will shortly require permission to be granted for sites which the LPA may consider unacceptable unless they are allocated in an adopted Local Plan.

2.39 Given the revised definition of deliverable sites in the NPPF 2019 there is a significant risk, due to the lack of any flexibility (supply compared to requirement) that the Council will be unable to demonstrate a 5 year supply shortly after adoption, if sites do not deliver as expected (for example if permission is not granted).

2.40 However, in our view the Local Plan will be unable to maintain a rolling 5YHLS during the Plan period even if all sites deliver as expected. Any delay to any source of supply will have an adverse impact on the 5YHLS position. This is particularly demonstrated through the inclusion of the GC and the lack of any flexibility. If by 1st April 2025 the GC cannot be classed as a deliverable site (under the NPPF 2019), 600 dwellings would be excluded from the 5YHLS, and this in itself would inevitably result in a significant shortfall.

2.41 Additional sources of supply should be identified in the Plan now in order to address this housing land supply shortfall which will arise very early in the Plan period after adoption and provide the necessary flexibility to avoid likely time-consuming and costly appeals for TDC. The Plan should not seek to support a 5YHLS only at adoption, but should provide the basis for maintaining a rolling 5YHLS throughout the Plan period. This Plan fundamentally fails to do so. In this case suitable and deliverable sites are available to meet the increased requirement now and should be identified in the Plan.

**Q2.18 In the context of paragraph 47 of the Framework, is it justified to apply a buffer of 5% within the calculation of the five year supply?**

2.42 Comment only that a 20% buffer could be used as a tool to provide a degree of flexibility.
Q2.19 What are the implications of the Housing Delivery Test for the five year supply of housing after the Plan is adopted, having regard to the application of the appropriate buffer as set out in paragraph 73 of the revised updated National Planning Policy Framework 2019?

2.43 See answer to Q2.17 above

E: TLP:12 Affordable Housing Requirement

Issue: Is the OAN for affordable housing justified and in line with national policy and guidance?

Q2.20 Does the SHMA’s approach to calculating affordable housing need, comply with the stages set out in the Planning Practice Guidance?

Q2.21 Policy TLP12 sets affordable housing requirements for developments within the Tiers 1 and 2 of the settlement hierarchy, in respect of sites released from the Green Belt and elsewhere. Would the policy be effective in ensuring the OAN for affordable housing is met?

Considerations include:

- Are the affordable housing requirements set at levels which maximise the delivery of affordable housing whilst not affecting the deliverability and viability of the Plan?
- Is there a need to increase the housing requirement to help deliver more affordable housing?
- What is the justification for the 15 dwellings or over threshold in Tier 1 settlements?
- Is the policy justified in applying the affordable housing requirement to housing sites of five dwellings and over outside of Tier 1 and Tier 2 settlements and sites allocated as Green Belt Releases and is it consistent with national policy set out in the Written Ministerial Statement (WMS) of 28 November 2014 and the Planning Practice Guidance (031 Reference ID: 23b-031-20160519) on support for small-scale developers, custom and self-builders (or the Framework 2019)?
- The Policy states that the tenure and size split will be determined by the Council’s most up to date Housing Strategy. Is the Policy, in requiring compliance with the Housing Strategy consistent with national policy given that the Housing Strategy is not part of the development plan?

2.44 It is essential that the housing requirement is increased in order to help deliver more affordable housing, noting that the evidence indicates a need for 391 affordable dwellings per annum, significantly more than the levels provided for by the Local Plan.

Q2.23 Are the proposed Modifications to Policy TLP12 necessary for soundness?

2.45 No comment.