

Sevenoaks District Local Plan

Housing Topic Paper

May 2019

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## **1 Introduction**

1.1 The key purpose of this paper is to show how the following policies within the Local Plan Chapter 2 – Providing Housing Choices have been produced and evidenced:

- Policy H1 – market and affordable housing mix
- Policy H2 – provision of affordable housing
- Policy H3 – housing in rural areas
- Policy H5 – housing density

1.2 This paper will:

- Set out the relevant policy context both locally and nationally;
- Summarise the evidence including need requirements up to 2035;
- Give a brief summary and analysis of the consultation responses and stakeholder and member involvement; and
- Set out how the policies were developed.

1.3 Housing land supply, including the 5 year housing land supply and the housing trajectory, is dealt with separately in the Delivery Paper.

## **2 Background and Policy Context**

### National Context

2.1 The national policy for delivering housing is set out in the National Planning Policy Framework (NPPF), and further guidance is set out in the Planning Practice Guidance (PPG). This policy and guidance sets out how local authorities are expected to implement the government’s objective to significantly boost the supply of housing.

2.2 The Sevenoaks District Local Plan (SDLP) has been under preparation since 2015, and there have been a number of versions of the NPPF over that time. Whilst the theme of boosting housing supply has and continues to be a common theme, the way in which housing need is calculated has changed significantly, from local authorities establishing their own ‘objectively assessed need’ to the introduction of the ‘standardised methodology for calculating housing need’. This means that the identification of housing need for Sevenoaks District has changed and evolved throughout the preparation of the SDLP.

2.3 In addition to establishing housing need, the NPPF also requires local authorities to plan for “the size, type and tenure of housing needed for different groups in the community” (para 61), for both market and affordable housing. There is a particular focus on specialist accommodation (for example for the elderly), homes for first time buyers, self builders and rural exception sites.

2.4 Further, the NPPF sets out a requirement to identify land to “accommodate at least 10% of the housing requirement on sites no larger than one hectare” (para 68) and “ensure that developments make optimal use of the potential of each site” (para 123).

## Local Context

- 2.5 The current local policies for housing are set out in the Core Strategy (2011):
- Policy SP3 – provision of affordable housing
  - Policy SP4 – affordable housing in rural areas
  - Policy SP5 – housing size and type
  - Policy SP7 – density of housing development
- 2.6 The Core Strategy 2006-26 was adopted in 2011 and set out a housing target of 3,300 units based on the delivery of 165 units per year. This figure was derived from the now revoked South East Plan and was determined regionally, considering the District's significant Green Belt and landscape constraints, as well as redistributed growth points within the region.
- 2.7 The Allocations and Development Management Plan (ADMP) was adopted in 2015 and allocated sites to meet the housing target set out in the Core Strategy. Through a combination of site allocations and windfall development the Council has been able to demonstrate and exceed a 5 year supply against this housing requirement for a significant number of years of the plan. On average, over the last 5 years, the District Council has demonstrated that approximately 311 units have been completed per year, against the Core Strategy target of 165 units.
- 2.8 Given that the housing target in the Core Strategy was derived from the South East Plan, it did not seek to meet the local population's housing needs, and the established figure was determined regionally and reflected land capacity. It was not tested against the issues of deliverability, viability and achievability that are now requirements of the NPPF. The inclusion of policies seeking affordable housing provision and contributions, rural exception housing, and an appropriate mix to increase the proportion of small units in the District did have some success, but opportunities were limited given the modest housing target.

## **3 Evidence Base**

### Strategic Housing Market Assessment (SHMA)

- 3.1 Preparation of the SDLP began in 2015 under the 2012 NPPF, which required local authorities to objectively assess their housing need based on demographic change, population growth, market signals, affordability and household formation within their housing market area.
- 3.2 The Council jointly commissioned, with Tunbridge Wells Borough Council, a new Strategic Housing Market Assessment (SHMA) in early 2015 to establish the District's housing need for the 20 year period 2013-33. The study was prepared by GL Hearn.
- 3.3 The SHMA was required to:
- Identify overall housing need in Sevenoaks District (within the context of the wider housing market area);
  - Identify the need for different sizes of homes; and
  - Identify the need for different types of homes, particularly from a growing older population.

3.4 The key findings of the study were:

- An objectively assessed housing need of 12,400 units (or 620 units per year);
- A recommended housing size mix that focuses on increasing the proportion of family housing (2 and 3 bed) within the market sector, and 1 and 2 bed within the affordable sector;
- An affordable housing need of 422 units per year, representing 68% of the overall objectively assessed housing need;
- A recommended affordable housing mix that focuses on delivering 76% social/affordable rented and 24% intermediate housing;
- A recommended specialist housing need of 1,319 units (or 66 units per year) reflecting an increasingly ageing population. These units are to be provided as sheltered or extra care housing and are included in the overall objectively assessed housing need;
- A recommended specialist housing need of 511 bedspaces (or 25 bedspaces per year) reflecting the expected change in the institutional population aged over 75. These units are to be provided as care/nursing home bedspaces and are not included in the overall objectively assessed housing need as they fall within use class C2; and
- A recommended need for self build plots of 113 (or 5 per year), included in the overall objectively assessed housing need.

3.5 During the preparation of the SHMA, a duty to cooperate workshop was held with adjoining authorities and housing stakeholders to agree the methodology and assumptions used in calculating the objectively assessed housing need. Following the publication of the SHMA, the document was considered and endorsed by the Council's Planning Advisory Committee in October 2015 and Cabinet in November 2015.

#### Local Housing Needs Study (LHNS)

3.6 To supplement the SHMA, and to inform the Housing Strategy, the Council commissioned a District-wide Local Housing Needs Study (LHNS) in 2016. Sevenoaks District is diverse and housing need varies across the distinct towns. This study built on the SHMA and drilled down to identify the specific housing needs of individual place-making areas. The study was prepared by Arc4.

3.7 The LHNS was required to:

- Consider the affordable housing needs of households;
- Consider the aspirations/expectations of those households moving in the market; and
- Consider the need for particular types of dwelling by virtue of age or disability.

3.8 The key findings of the study were:

- Through the completion of household surveys and interviews the greatest affordable housing needs exist within Sevenoaks urban area and surrounds and the north east of the District, representing over 50% of the total affordable housing need across the District;

- Based on household preferences, the analysis suggests a tenure split of 40% social/affordable rent and 60% intermediate housing;
- Based on the household survey, 67% of older people wish to stay in their own homes with help and support when needed, and 24% would consider buying specialist accommodation, suggesting a need to continue to diversify the range of older persons' housing provision; and
- Given the District's increasing ageing population, it is recommended that 5% of new dwellings should be built to support people with disabilities.

#### **4 Consultation and Stakeholder Analysis**

4.1 The Local Plan has been subject to three rounds of public consultation along with input from technical specialists, stakeholders and interested parties throughout its development. Further information on the consultations is provided within the Consultation Statement.

##### Local Plan Issues and Options Consultation – Summer 2017

4.2 The Local Plan Issues and Options consultation document contained an objective to 'Promote housing choice for all', and specifically sought views on a number of housing-related issues via key and technical questions, which covered:

- The importance of promoting affordable housing in urban and rural areas to meet the needs of our residents, both young and old (key question 6);
- The percentage of affordable housing that should be sought on new development (technical question 2);
- The potential to include a small sites policy to enable the District Council to seek financial contributions on sites of 10 homes and under (technical question 3);
- The introduction of new innovative types of affordable housing such as starter homes and modular housing (technical question 4);
- The requirement for a mix of house sizes for both market and affordable housing (technical question 5);
- The principle of allocating sites for older persons accommodation, and whether a proportion of these should be provided as affordable housing (technical question 6); and
- The potential to include a requirement for a meaningful proportion of Lifetime Homes and wheelchair accessible homes (technical question 7).

4.3 In summary, the responses were largely positive:

- Support for seeking 40% affordable housing to include housing for key workers and starter homes, but with a more flexible approach for brownfield sites;
- Mixed response to including a small sites policy, those supporting suggested financial contributions should be used in a timely manner whilst those objecting suggested this would penalise small builders;
- Strong support for a flexible policy on promoting innovative types of affordable housing, ensuring the needs of the local communities are met;
- Mixed response to setting an evidence-led housing mix, those objecting suggested the mix should be left to the market whilst those supporting suggested a clear policy would provide certainty;

- Strong support for providing older persons accommodation, both in existing settlements and through new retirement villages in more rural locations, and some support for providing a proportion of these units as affordable housing; and
- Mixed response to providing homes that are wheelchair accessible and meet the Lifetime Homes standard, those supporting suggested it should be applicable to developments in the most sustainable locations whilst those objecting suggested this requirement would be an added burden to the development industry.

4.4 In addition, a question was asked about whether there was appetite to build new homes at slightly higher densities in order to continue to protect the Green Belt. 56% of respondents agreed that this was an appropriate approach.

Draft Local Plan Consultation – Summer 2018

4.5 The Draft Local Plan included a first draft of the four housing policies.

<b>Policy name</b>	<b>What the policy seeks to achieve</b>
Policy 8 – Market and affordable housing mix	<ul style="list-style-type: none"> <li>• To create mixed, balanced and inclusive communities;</li> <li>• To increase the proportion of smaller units, both market and affordable;</li> <li>• To increase the proportion of older persons accommodation, both market and affordable;</li> <li>• To provide homes for life by requiring all new housing development to meet the optional technical standard M4(2) for accessible and adaptable dwellings, and 5% of new housing development to meet M4(3) for wheelchair user dwellings; and</li> <li>• To provide high quality homes which meet the minimum nationally described space standards.</li> </ul>
Policy 9 – Provision of affordable housing	<ul style="list-style-type: none"> <li>• To seek maximum affordable housing contributions and provision based on a sliding scale of 10% to 40%;</li> <li>• To seek contributions on small sites, given track record of past delivery; and</li> <li>• To provide a tenure mix of 76% social/affordable rented and 24% intermediate housing, unless an alternative mix meets an identified local need.</li> </ul>
Policy 10 – Housing in rural areas	<ul style="list-style-type: none"> <li>• Support for the delivery of new housing on rural exception sites, where a local need has been identified;</li> <li>• The potential for schemes to be cross-subsidised by an element of market housing; and</li> <li>• Support for increasing the provision of almshouses.</li> </ul>
Policy 12 – Housing density	<ul style="list-style-type: none"> <li>• All new housing development is expected to make the most efficient use of land and new development is expected to be delivered at higher densities than in the past; and</li> <li>• Density to be informed by local character through a design-led approach.</li> </ul>

- 4.6 The consultation sought views on the content of the policies and received 101 comments in total. In summary, the responses were largely positive:
- Strong support for increasing the proportion of smaller units, allowing older people to downsize and first time buyers to move onto the housing ladder;
  - Acknowledgement that providing affordable homes in high value areas is difficult, and that when affordable homes are provided they should remain so in perpetuity;
  - A reluctance from the development industry to accept the affordable housing requirements, many citing viability as a concern;
  - Strong support for the inclusion of market housing to help subsidise rural exception sites; and
  - Concern that higher densities are unlikely to be appropriate in rural areas, particularly within the AONB, and a more rigid / less flexible approach to density is required.

#### Potential Sites

- 4.7 In addition to consulting on the content of the above housing policies, the Draft Local Plan Consultation also sought views on the potential site allocations that met the strategy (Policy 1 – A balanced strategy for growth in a constrained district).
- 4.8 Policy 2 – Housing and mixed use site allocations – set out a list of sites to provide for a range of housing types, density, mix and tenure, with defined site areas and design guidance set out in Appendix 1.
- 4.9 Through a District-wide call for sites that remained open from 2015-2018, the District Council received approximately 500 sites for consideration for housing development. Each site was appraised for its suitability through the Strategic Housing and Economic Land Availability Assessment (SHELAA), Sustainability Appraisal (SA) and Site Appraisals document.
- 4.10 A stage 1 appraisal (undertaken during the preparation of the Draft Local Plan) identified that 87 sites were potentially suitable for housing or mixed use and were included in the Draft Local Plan Consultation as draft allocations. A number of the sites required further information, either from the landowner or from technical specialists, and were included in the Draft Local Plan in order to obtain that information through consultation.
- 4.11 Following the consultation each of these sites were subject to a stage 2 appraisal taking account of additional information with regards to suitability. The Site Appraisals Methodology document sets out the appraisal process in detail.

#### Proposed Submission Version Local Plan Consultation – Winter 2018

- 4.12 The Proposed Submission Version Local Plan included the same four housing policies. They largely remained the same but were subject to some refinement following consultation and technical specialist input.

<b>Policy name</b>	<b>How the policy has been refined since the Draft Local Plan</b>
Policy H1 – Market and affordable housing mix	<ul style="list-style-type: none"> <li>• ‘Local essential workers’ have been explicitly defined by the District Council (see Draft Affordable Housing SPD);</li> <li>• Additional flexibility has been built into the housing mix requirements, allowing alternative mixes to be appropriate provided it can be demonstrated that they meet an identified local need;</li> <li>• Lift requirements in flatted developments has been limited to those of 4 or more storeys, following input from the housing associations; and</li> <li>• The requirement for 5% of units to meet the optional technical standard M4(3) has been limited to affordable housing, following input from the development industry and housing associations.</li> </ul>
Policy H2 – Provision of affordable housing	<ul style="list-style-type: none"> <li>• The sliding scale of affordable housing provision / contributions has been simplified and amended following Local Plan viability testing; and</li> <li>• Where on-site provision in accordance with the policy is not possible, the alternative options for developers have been simplified.</li> </ul>
Policy H3 – Housing in rural areas	<ul style="list-style-type: none"> <li>• The cross-subsidy element of rural exception schemes (i.e. market housing) has been refined to ensure that it meets needs for local essential workers, older people and plots for self build, in the first instance.</li> </ul>
Policy H5 – Housing density	<ul style="list-style-type: none"> <li>• The policy has been clarified to make clear that new development will be expected to incorporate a range of densities appropriate to the size and location of the scheme.</li> </ul>

4.13 The consultation sought views on the content of the policies and received 63 comments in total. In summary, the responses were largely positive:

- Strong support for increasing the proportion of smaller units, allowing older people to downsize and first time buyers to move onto the housing ladder;
- No provision for bungalows or local models to meet the needs of older people e.g. co-housing;
- Requirement to meet optional technical standard M4(2) is too restrictive;
- Affordable housing should remain so in perpetuity;
- Requirement for affordable housing contributions on sites of 6-9 units is not in accordance with national policy;
- Strong support for the inclusion of market housing to help subsidise rural exception sites, however some objection to the imposed limit of 3 market homes; and
- Concern that densities are now too high.

## 5 The Policies

5.1 The housing policies have been developed and refined throughout the plan-making process, following the gathering of evidence, consultation with stakeholders, and input from technical specialists.

5.2 The justification and explanation of the specific elements of policies H1, H2 and H3 are set out in the Draft Affordable Housing SPD, which was subject to consultation at the same time as the Proposed Submission Version Local Plan. It is anticipated that, subject to being amended to reflect consultation responses and any updates in national/local policy, the SPD will be adopted at the same time as the Local Plan.

5.3 The justification and explanation of Policy H5 (housing density) is set out in the Delivery Paper.

## **6 Conclusion**

6.1 The Local Plan identifies the key housing issues facing the District over the period 2019 to 2035, and through the delivery of new housing development, policies H1, H2, H3 and H5 seek to meet the identified needs of specific groups and help to support the creation of mixed, balanced and inclusive communities whilst ensuring the most efficient use of land.