

Sevenoaks District
Seniors Action Forum

Working together in the interests of people aged 50 plus

email comms@sdsaf.org.uk

CHIEF EXECUTIVES OFFICE

26 NOV 2019

25 November 2019

To Peter Fleming,

Issues regarding the Planning Inspector's Halt to the SDC Local Plan. Reg 19 submission

The Planning Inspector has called a halt to the inspection of the SDC Local Plan on the grounds that the Council did not properly consult with the three adjoining authorities to explore whether they could accommodate the unmet portion of Sevenoaks' target. The Council did explore this with them and it is unsurprising that the result was that they could not help as they are similarly afflicted by the dysfunctional methodology and also have a target of +40% on the ONS base figures – the highest possible, coupled with having large areas of Green Belt.

The targets for all Local Plans use the 2014 based ONS Household projections, currently using the annual average for the period 2019-29. This shows that for all of England there would be 216,000 new homes a year – a shortfall of 84,000 or 10% on the Government's ideal of 300,000 "to fix a broken housing market".

To get nearer to this ideal, targets were set using a formula devised to increase each area's own basic ONS projection. The method used is to calculate the ratio of house prices to earnings, for September 2018.

For Sevenoaks District this is $\pounds 415,950 \div \pounds 28,607 = 14.54$. The next stage is to adjust this by only applying an increase on ratios of 4 or more, so the first 4 is taken away before calculating the formula as $:- 10.54 \div 4 = 2.63 \times 0.25 = 0.659$. Then add 1 to get 1.659

One next multiplies the basic ONS H/H projection of 505 new homes by the 1.659 = 838

Next a cap of +1.4 was set for the formula as $505 \text{ new homes} \times 1.4 = 707 \text{ new homes}$

This is as set out on pages 7 & 8 of SDC's responses to the Inspector's questions in June 2019

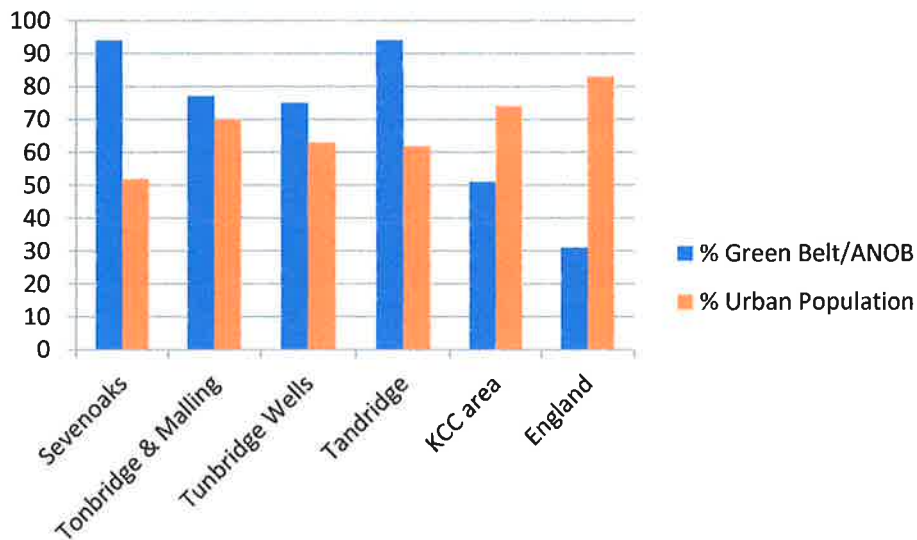
No explanation has been provided as to how or why this formula was set, only that it helps to fix "A broken housing market" and we apologise if the foregoing is complex and baffling but it instantly demonstrates that the formula is not fit for purpose as it neither considers that workplace earnings in Sevenoaks are below the all England average, nor why house prices are so high.

Some points that could have been looked at are :-

- Workplace and residential earnings are based on a 1 % sample of full time employee jobs from PAYE records and as such are open to mis-reporting
- The SDC's area current housing stock comprises a high percentage of dwellings with 4 or more bedrooms 23.3% compared to 14.9% across England, and 24% of its housing stock are detached residences compared to England's 15.6%.
- Residential building land in Sevenoaks costs £8.35 million per hectare compared to:- £4m in Tonbridge, £4.4m in Tunbridge Wells, £2.77m in England exc London and £6.12m if London is included. Therefore it is unsurprising that Sevenoaks housing stock, both old and new, command a higher price because of the land valuation

Regrettably the targets set out in the application of the formula for assessing housing need (September 2017) did not instruct Planners to incorporate factors for exceptional local circumstances, even though it was stated in Sajid Javid's White Paper of 14 September 2017 "That these targets should not be taken as a hard and fast ruling. There will be places where constraints – for example, such as areas of Outstanding Natural Beauty, National Parks, mean there's not enough space to meet local need". This was restated in the Ministry of Housing consultation of October 2018. However, no methodology was forthcoming as to how this could legitimately be factored into the equation and we believe SDC ideally should have challenged the targets prior to adoption.

From the outset we have maintained that the house price to earnings formula should be revisited and revised. We have also suggested that if additional formulae are to be applied then an allowance should be made to take account of exceptional Green issues :-



It should therefore not come as a surprise to the Inspector that these areas will struggle to accommodate such high targets as they have a duty to protect the Green Belt. The Inspector in our view is being too pedantic and should concentrate on observing the letter and spirit of Sajid Javid's statement.

Summing up:-

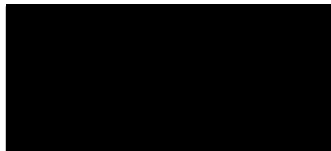
SDC have tried to deliver the Government's targets and should not be criticised for its failure to do so.

The Inspector should view the Plan with a greater understanding of local circumstances and needs and then challenge central government on the target-setting methodology, rather than trying to impose a flawed, dysfunctional formula.

The Inspector should also ensure a means of adjusting targets to account for Green constraints which we believe should be preserved, not only to avoid urban sprawl but as an essential contribution to recreation, health and wellbeing.

The government plan would ideally require all new housing to be built on just 7% of the SDC land area, without encroaching onto Green Belt.

The target for 161,800 new homes across Kent over the 16 year period 2019-35 exceeds the current number of households in Canterbury and Maidstone combined (142,800). If the 11,312 new dwellings set as a target for the SDC area for 2019-35 is met that equates to more than the urban population of the 5 Sevenoaks Wards plus Riverhead and Dunton Green and there is no confidence that either education or health services can be adequately provided to meet this level of growth.



Alan Dixon
On behalf of the Committee

Enclosures:-

Application of the Formula SDC area and surrounding Districts

Application of proposed formula for assessing housing need 2019-35

Sevenoaks and surrounding districts c.f. with Kent and England

Local Authority	ONS projection	%Green	House Price ÷ Earnings = Sept 2018 Workplace	Ratio	Annual Housing increase	X formula = Annual Housing X target (2019-35)	%H/H Detached	%H/H 4 Bedrooms+	Land Price £'s m per h/a			
Sevenoaks	2014 based 2016 based	94%	£415,950	£28,607	14.54	505 365	1.4 cap 1.4	707 511	11,312 8176	24.0	23.3	8.35
Tonbridge & M	2014 based 2016 based	77	345,000	28,966	11.91	604 497	1.4 1.4	846 696	13,536 11,132	21.1	21.4	4.02
Tun Wells	2014 based 2016 based	75	370,000	28,999	12.76	487 337	1.4 1.4	682 539	10,913 8,624	21.7	20.8	4.38
Maidstone	2014 based 2016 based	29	308,995	27,582	11.2	588 566	1.4 1.4	823 792	13,168 12,672	18.9	17.5	3.23
Tandridge	2014 based 2016 based	94	415,100	26,578	15.62	463 332	1.4 1.4	648 465	10,368 7440			6.81
Dartford	2014 based 2016 based	56	308,500	31,888	9.67	588 566	1.35 1.35	794 764	12,704 12,224	8.6	10.6	4.47
Gravesham	2014 based 2016 based	78	324,975	29,805	9.56	511 371	1.35 1.35	690 501	11,040 8,016	10.0	11.9	3.36
Bromley	2014 based 2016 based	51	440,000	30,851	14.26	1,901 1,514	1.4 1.4	2,661 2,120	42,576 33,920			17.71
Kent	2014 based 2016 based	51 estimate	290,000	27,677	10.48	7,699 6,752	1.4 1.4	10,779 9,453	172,458 151,248	17.0	16.5	3.91est
England	2014 based 2016 based	31 gross	239,000	29,869	8.0	215,656 164,887	1.25 1.25	269,570 # 206,109	4,313,120 3,297,120	15.6	14.9	2.29 exc. London 6.12. inc London

Projected annual H/H growth 2019-29 using 2014 based data. As per current gov instructions
30,430 short of gov ideal of 300,000 new homes p.a Or 93,891 if 2016 based data had been used.
% Green = Green belt/ AONB

Formula:- Affordability ratio minus 4 X .25% for every 1% above this figure
with a cap of plus 1.4