

Places and Policies Local Plan - Submission Draft Housing Supply Statement 2018



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1. Introduction

1.1 This statement sets out the Council's¹ approach to housing land supply for the Folkestone & Hythe District in its Places and Policies Local Plan, covering the period 2006 to 2031. This statement is divided into sections which detail:

- National Planning Policy and Guidance on housing land supply;
- Requirements for housing in previous Plans for the district and how the Council has met these requirements;
- The current target for housing and how the council is meeting this through past, current and planned development;
- The different elements that make up the current housing supply; and
- The council's position in terms of the supply of housing land for the Places and Policies Local Plan.

1.2 The statement is intended to support the Places and Policies Local Plan and may be updated as new housing information becomes available. If you have any queries about this statement, please contact: planning.policy@folkestone-hythe.gov.uk

¹ On 1 April 2018 the council changed its name from Shepway District Council to Folkestone & Hythe District Council (F&HDC). References to Shepway District Council are kept in this statement where they refer to the organisation before 1 April 2018 or appear in the titles of published documents.

2. National Guidance on Housing Land Supply

2.1 The Government's policy approach to the supply of housing land is set out in the National Planning Policy Framework (2012) with further detailed guidance given online in the National Planning Practice Guidance (PPG), which is amended periodically.

2.2 At the heart of the NPPF (Para 14) is a *"presumption in favour of sustainable development, which should be seen as a golden thread running through both plan-making and decision-taking"*. In response to a rising population which is living longer and wants to make new choices, Local Planning Authorities (LPA) *"should positively seek opportunities to meet the development needs of their area"*, including assessing the need for housing land and ensuring that sufficient land is allocated to meet this need. Moreover, *"Local Plans should meet objectively assessed needs (OAN), with sufficient flexibility to adapt to rapid change, unless any adverse impacts of doing so would significantly and demonstrably outweigh the benefits"*, or where *"specific policies indicate development should be restricted"*.

2.3 Furthermore, one of the core principles set out in the NPPF, 2012 (Para 17) states that:

"Every effort should be made objectively to identify and then meet the housing, business and other development needs of an area, and respond positively to wider opportunities for growth. Plans should take account of market signals, such as land prices and housing affordability, and set out a clear strategy for allocating sufficient land which is suitable for development in their area, taking account of the needs of the residential and business communities".

2.4 NPPF, 2012 (Para 47 – bp1) states that to boost significantly the supply of housing, LPAs should:

"Use their evidence base to ensure that their Local Plan meets the full, objectively assessed needs for market and affordable housing in the housing market area, including identifying key sites which are critical to the delivery of the housing strategy over the plan period".

2.5 Furthermore (Para 47 – bp2) provides that Local Planning Authorities should also:

"Identify and update annually a supply of specific deliverable sites sufficient to provide five years' worth of housing against their housing requirement with an additional 5% buffer moved forward from later in the plan period to ensure choice and competition. Where there is persistent under-delivery the buffer should be increased to 20%".

2.6 The Framework (Para 159) identifies that *"Local planning authorities should have a clear understanding of housing needs in their area"* and should *"prepare a Strategic Housing Market Assessment to assess their full housing needs, working with neighbouring authorities where housing market areas cross administrative boundaries"*.

- 2.7 The Planning Practice Guidance (PPG) provides more guidance on how local authorities should plan for new housing in their areas and how housing land supply should be calculated.
- 2.8 The National Planning Practice Guidance ('the PPG') gives further advice on identifying the objectively assessed need, stating that the national household projections provide a starting point. However, Paragraph 2a-15 of the PPG states that the *“household projection-based estimate of housing need may require adjustment to reflect factors affecting local demography and household formation rates which are not captured in past trends”*. Paragraph 2a-17 states that *“plan makers may consider sensitivity testing, specific to their local circumstances, based on alternative assumptions in relation to the underlying demographic projections and household formation rates”*. Account should also be taken of the most recent demographic evidence including the latest ONS population estimates.
- 2.9 The Council notes that in July 2018, a revised version of the NPPF was published which introduced a standard methodology for calculating housing need. Paragraph 60 of the revised Framework states that *“to determine the minimum number of homes needed, strategic policies should be informed by a Local Housing Needs 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”*. However, the new formula is not applicable to the preparation of the PPLP as it is to be submitted for examination prior to the 24 January 2019. The Council is reviewing its Core Strategy alongside the Places and Policies Local Plan, and this will address longer-term housing needs using the standard methodology in national planning guidance.

3. Core Strategy Housing Land Requirement

- 3.1 The Core Strategy (2013) was drafted in 2008/9 in a macro-context of great uncertainty. The council was aware that it was virtually impossible in the prevailing conditions of the time - with any SHLAA - to be completely certain that all sites will come forward. The SHLAA looked at the deliverability and expected phasing of all sites individually, and only sites where there was some reasonable certainty proceeded successfully. Given the overall emphasis on delivery in PPS3 (Housing) and contingency planning in PPS12 (Local Spatial Planning), Shepway District Council had regard to factors of risk in presenting its Preferred Options; and calibration of sites from the SHLAA was undertaken on the basis of the small risk of them not materialising.
- 3.2 The Core Strategy Preferred Options consultation document presented four 'Strategic Housing Options' with the associated estimate of average planned housing provision (Table 3.1). This was for the South East Plan period 2006 to 2026.

Strategic Option	Strategic Housing Provision (p.a.)	Total Strategic Provision (2006-2026)	Proportion 'greenfield'
Fundamental Shift (SO1)	850	17,000	75%
Maximise Development Opportunities (SO2)	550	11,000	33%
The Preferred Option (SO3)	300-400	6,000-8,000	15%
Minimum Change (SO4)	290	5,800	6%

Table 3.1: Strategic Housing Options and estimated average planned housing provision

- 3.3 The Preferred Option (SO3) was a selective approach to change and opportunities. It aimed to focus on the needs, quality and sustainability of local settlements, whilst working within environmental and economic constraints. It brought together the range of studies in the evidence base in a form that sought to ensure that the achievability of development was closely considered, and that tackling the Strategic Issues was prioritised.
- 3.4 Strategic Option 3 was chosen as the spatial strategy for the Core Strategy. This was on the basis of the Sustainability Appraisal as well as being considered the most compatible with overall objectives for change in urban places where it is normally best accommodated, whilst recognising the need to respond to the many needs in the rural communities of Shepway.
- 3.5 Table 3.1 demonstrates how the strategic housing provision for 2006-2026 for the SO3 was made up.
- 3.6 The SHLAA is the most comprehensive and robust study of future sources of housing supply. However, the belief throughout the evaluation was that, due to the prevailing economic climate, the clear balance of risks were negative i.e. lower (not higher) development levels than the aggregate SHLAA quantity output. As such a risk element

was factored in to account for the longer-term impacts on Shepway of the then recent rapid economic downturn.

3.7 As recognised in much evidence, including Sustainability Appraisal, Shepway's economy had structural weaknesses typical of the sub-region and this heightened the relevance of reduced developer confidence in the district as a location for investment.

3.8 The Preferred Option, was given specific consideration in terms of risks. This was a probability-based approach predicated on an acceptance of the gradual decline of certainty over time. This was proceeded by evaluation of estimated risk on the basis of deliverability categories. These categories were formed from:

- Delivery timing (given constraints) in the SHLAA.
- Actual current planning policy acceptability of the principle of development, as this provides an element of certainty.

3.9 The categories and identified probabilities are set out in Table 3.2. The overall basis of the assessment was that the SHLAA process means delivery is anticipated (50% or more), other than where sites are already proposed to be rejected in emerging policy.

3.10 The first column of the table reflects the 'type' of site, which relates to the extent of risks of delivery (quantified in the second column). The third column explains the rationale behind the expected proportion materialising. The final column produces a housing yield from that category, which equals the percentage in the second column multiplied by the number of units within that category from the SHLAA.

Risk category	Proportion materialising	Justification of probability assessment	Expected units
A. SHLAA site(s) within 'green' land featured as a Preferred Options strategic site	75%	The Preferred Options document sets out a clear commitment to the regeneration of several large 'brownfield' sites and strategic greenfield allocations to cater for local needs in line with SO3.	3112.50
B. SHLAA site within 'red' land featured as a <u>non</u> -preferred option	5%	The Preferred Options document effectively directly rejects these options. As they feature in the SHLAA they must be considered possible alternatives, but there is no expectation that these sites will come forward in addition to sites above. Therefore it is not appropriate to make any significant element of contribution to housing supply in addition to the strategic provisions made in category A.	110.00

Risk category	Proportion materialising	Justification of probability assessment	Expected units
C. Other SHLAA sites currently not acceptable, phased 2011-16	60%	Although in the SHLAA, there is a degree of uncertainty about any site which is not currently acceptable i.e. the development plan is likely to have to change. This would not be expected to be the case until at least 2011 (currently scheduled date of Core Strategy adoption).	503.50
D. Other SHLAA sites currently not acceptable, phased 2016-2021	50%	There will be a slightly greater chance of not materialising than category C due to its later phasing – up to 2021.	29.40
E. Remaining SHLAA sites – currently acceptable and phased by 2011	95%	Virtually all of these sites are expected to materialise as these have planning permission and specific reasons to believe will be completed imminently/shortly.	518.70
F. Remaining SHLAA sites – currently acceptable and phased 2011-16	85%	The vast majority of these sites will materialise.	1243.55
G. Remaining SHLAA sites – currently acceptable and phased 2016-21.	75%	A small allowance has been made due to the later phasing, but the clear majority will materialise.	414.75
TOTAL EXPECTED SHLAA HOUSING USED IN PREFERRED OPTIONS			5932.40

Table 3.2: Total Expected SHLAA Housing Used in Preferred Option SO3

3.11 It can be seen that the total expected dwellings using this risk analysis for Preferred Options was 5,932 (to the nearest whole dwelling). In relation to specific categories:

- No risk categories were assessed as being unlikely to come forward (49% or less) as the SHLAA provided clarity about deliverability. However it can be seen the degree of certainty varies from 95% (E) downwards.
- Sites that meet SHLAA criteria but which were not currently acceptable (and therefore would normally require a new Development Plan Document) had somewhat greater risks (Categories A-D). Risk can be addressed accordingly: either a very good chance

of materialisation (A: preferred Strategic Sites- 75%) or almost nil (B). The Preferred Options document clearly rejected four large greenfield plots (SHLAA refs 316, 373, 379, 408) in favour of other options in those localities for the Core Strategy to take forward, and this was reflected in a nominal 5% estimate to account for risks.

- 3.12 To inform Preferred Options and the Core Strategy period 2006-2026, the expected delivery of 1,144 dwellings before the SHLAA period had to be included. Adding this to the 5,932 dwellings gave a figure of 7,076. Preferred Options were therefore presented in terms of the central Preferred Options (SO3) housing supply figure as 7,000 with a risk factor of +/- 1,000. A summary of the main elements of this (Delivered plus SHLAA Categories A and F) is shown in the following box:

Primary sources of risk adjusted SHLAA dwellings contributing to the 7,076 units underpinning Preferred Options, ranked in descending order-

1. SHLAA sites within land featured as a Preferred Options strategic site
2. Remaining SHLAA sites – currently acceptable and phased 2011-16
3. Delivered sites pre-SHLAA (2006-2009).

These site types account for over three-quarters of the 7,076 SO3 total.

KCC estimated that under SO3 the population would increase by 7.5% to 107,000 by 2026.

- 3.13 The preferred option (a refined version of SO3) equating to 350 dwellings a year - a minimum of 7,000 dwellings over the period 2006-2026 – was considered at the examination of the Core Strategy. In order to address long-term demographic needs to sustain growth, and to ensure that housing supply was guided for a period of more than 15 years after adoption, an extended plan period was put forward with a rate of development of a minimum of 350 dwellings a year from 2006/07 to 2030/31 (25 years).

- 3.14 The Core Strategy Local Plan Inspector was satisfied that this approach represented an objective assessment of housing needs as required by the National Planning Policy Framework.² The Inspector found no evidence that this level of development, markedly exceeding that set out in the South East Plan, would adversely affect housing delivery elsewhere. Environmental factors and evidence about development deliverability did not, the Inspector considered, support a significantly higher rate of housing development.³

- 3.15 This approach was therefore carried forward into adopted Core Strategy Policy SS2: Housing and the Economy Growth Strategy. This establishes that:

“The core long-term objective is to ensure the delivery of a minimum of 350 dwellings (Class C3) per annum on average until 2030/31 (inclusive from 2006/7).”

- 3.16 The following sections of this paper set out how the Policy SS2 minimum target of 350 dwellings a year over the period 2006/07 to 2030/31 – 8,750 dwellings in total – will be delivered.

² Report on the Examination into Shepway Core Strategy Local Plan, Michael J Hetherington BSc(Hons) MA MRTPI MCIEEM, 10 June 2013, paragraph 50.

³ Ibid, paragraphs 51-52.

4. Components of Housing Supply

4.1 There are various components that make up the Folkestone & Hythe District's Housing Land Supply figure. These are summarised in Table 4.1 and outlined in the paragraphs below.

4.2 At the point of monitoring, an assessment will need to be undertaken of the housing land supply taking into account:

- **Past sources of supply** - the number of homes already built (shown in the left hand column of Table 4.1);
- **Current sources of supply** - the number of homes completed during the current monitoring year and under construction (shown in the centre column); and
- **Future sources of supply** - the number of homes likely to come forward up to the end of the plan period (shown in the right hand column).

4.3 To calculate how much housing land needs to be allocated within the Places and Policies Local Plan, it is necessary to take the total housing requirement as identified by the Core Strategy Local Plan (2013) and:

- Deduct the number of homes that have already built during the plan period to date i.e.
 - **Net housing completions from 2006** - these are from 1 April 2006 up to 31 March of the previous year.
- Deduct the number of homes currently allowed for at the point of monitoring;
 - **Net homes completed during the current monitoring year** - this figure is from the monitoring year just ended and includes where an entire site has been completed and also where a particular phase of a larger site has been completed; and
 - **Net homes under construction during the current monitoring year** – this figure is from the monitoring year just ended, including all homes under construction at the time of the survey.
- Make an assessment of the number of homes likely to come forward in the future to the end of the plan period.
 - **Net homes with permission** - this figure is from the monitoring year just ended and includes planning permissions on sites where construction has not yet started and future phases of sites already under construction. An allowance is made for homes that may not be built as anticipated;
 - **2013 Core Strategy windfall allowance** - the 2013 Core Strategy made an allowance for windfall development (small sites of one to four homes) on previously-developed (or 'brownfield') sites in the later years of the plan period. These are sites that are likely to continue to come forward for development in the future but cannot be specifically identified;
 - **Remaining 2013 Core Strategy allocation** - most of the strategic allocations in the 2013 Core Strategy have been built out, are under construction or have planning permission and so fall into the categories

above. However, part of the Core Strategy broad location at New Romney does not yet have permission and so is included as an outstanding allocation. An allowance is made for development that may take place beyond the end of the plan period or for fewer homes than allocated; and

- **Remaining Places and Policies Local Plan allocations** - some of the allocations in the Places and Policies Local Plan already have planning permission or are under construction and so are included in the categories above. However, the majority of the allocations do not have planning permission and so are included within the future housing land supply, with an appropriate allowance for development that may not come forward as anticipated.

4.4 Site allocations included in the Places and Policies Local Plan make up the shortfall, after these sources have been taken into account and deducted from the Core Strategy requirement.

Previous Housing Supply	Current Housing Supply	Future Housing Supply
Net housing completions from 2006 to monitoring date. See Section 5 'Net Housing Completions'	Net homes completed during the current monitoring year. See Section 5 'Net Housing Completions'	Net homes with permission at end of monitoring year (sites of five or more homes). See Section 6 'Homes Under Construction and with Permission'.
	Net homes under construction during the monitoring year. See Section 6 'Homes Under Construction and with Permission'	Core Strategy windfall allowance (small sites of one to four homes). See Section 7 'Core Strategy Windfall Allowance'.
		Places and Policies Local Plan allocations (without permission at monitoring year). See Section 8 'Places and Policies Local Plan Allocations'.
	Remaining Core Strategy (2013) allocations (without planning permission at end of monitoring year). See Section 8 'Places and Policies Local Plan Allocations'.	
Beginning of plan period (1 April 2006) to current point of monitoring)	Current point of monitoring	Current point of monitoring to end of plan period (31 March 2031).

Table 4.1: Components of Housing Supply

Previous Housing Supply

- 4.5 This section provides detail on the past housing supply within the Folkestone & Hythe District (F&HD) from the start of the Core Strategy plan period – 1 April 2006.
- 4.6 Table 4.2 shows net housing completions from the start of the Core Strategy plan period (1 April 2006) to the end of the 2017 monitoring year (31 March 2017). Overall, this illustrates that in the 11 year period up to 31 March 2017, 3,208 dwellings were delivered in F&HD. This represents a cumulative under-delivery of 642 dwellings.

Monitoring Year	Completions	Core Strategy Target	Cumulative Over / Under Delivery
06/07	146	350	-204
07/08	402	350	-152
08/09	562	350	60
09/10	180	350	-110
10/11	132	350	-328
11/12	207	350	-471
12/13	206	350	-615
13/14	165	350	-800
14/15	348	350	-802
15/16	293	350	-859
16/17	567	350	-642
Total	3208	3850	-642

Table 4.2: Net Housing Completions 2006/7 to 2016/17

- 4.7 Whilst over the course of the plan period, it is accepted that there has been a cumulative under delivery, there is evidence as to why the district should not be considered as persistently under delivering. Three issues are considered below.
- 4.8 The first issue relates to the change from the Kent Structure Plan to the Core Strategy Local Plan (2013). When the Core Strategy was adopted, the requirement was backdated to 2006 (the base date for the plan). Before the adoption, the District Council had been working in accordance with the requirement set out in the Kent Structure Plan, which had set a reducing target for new homes over the plan period as illustrated in Table 4.3. In the seven years preceding to the adoption of the Core Strategy the cumulative total annual requirement as set out by the Kent & Medway Structure Plan was 2,060 dwellings (300 x 5 + 280 x 2); over the same period 1,835 dwellings were completed resulting in a 225 dwelling under supply. Whilst still an under-delivery it was not to the same extent when the requirement was back-dated.

	K&M Structuring Plan Housing Target (net)			
	2001 - 2006	2006 - 2011	2011 - 2016	2001 - 2016
Shepway	360	300	280	

Table 4.3: Kent and Medway Structure Plan Housing Requirements 2001-2016

- 4.9 The second issue relates to the time period, which started from 2006/07. Whilst this period reflects the Core Strategy Local Plan period it excludes the very good completion rates from 2001 (Table 1 above). During this period the requirement was for 1,800 homes but completions totalled 2,308. This illustrates that when considering a longer time period, the District had not been under-delivering.
- 4.10 The third issue relates to the impact of the global recession from 2008. During favourable economic conditions over the eight years from 2001/02 to 2008/09, the District Council recorded delivery rates that exceeded the requirement (excluding one year, 2006/07). Completions have also risen over the last three years (2014/15 – 2016/17). For next year (2017/18) these are predicted to increase based on developments that are currently under construction. The slowdown in development in this District reflects the experience of the whole country during the recession.

Current Housing Supply

- 4.11 This section provides detail on the current housing supply within the F&HD based on the outcome of the most recent monitoring year 2017/18.
- 4.12 Table 4.4 shows net housing completions for the recent monitoring period (1 April 2017) to the end of the 2017 monitoring year (31 March 2018).

	17-18	Total for plan period	Cumulative Over / Under Delivery
Completions	412	3620	580

Table 4.4: Housing Completions for Monitoring Period 17/18

- 4.13 The figure of 412 dwellings delivered during 2017/18 has been derived from the 2017 Housing Information Audit (HIA) and exceeds the minimum requirement of 350 dwellings. It also highlighted that 466 dwellings were under construction and a further 4,413 dwellings had permission but had not been started at the time of the audit, including a number of the district's strategic housing locations. It is considered that not all dwellings under construction will be completed during the year.
- 4.14 Given that not all homes currently with planning permission but not started will be built, an allowance of 10 per cent has been deducted from current planning permissions in assessing the future housing land supply as a conservative estimate. Deducting this allowance (441 homes) from the current permissions (4,413) leads to a total anticipated supply from this source of 3,972 homes.

Future Housing Supply

- 4.15 This section provides detail on the future housing supply within the F&HD for the remainder of the plan period to 31st March 2031.
- 4.16 The NPPF (Para 48) states that local authorities may make an allowance for windfalls in the 5 year supply if they have compelling evidence that such sites have consistently become available in the local area and will continue to provide a reliable source of supply. Any allowance should be realistic and have regard to the SHLAA, historic

windfall delivery rates and expected future trends and should not include residential gardens.

- 4.17 The Core Strategy (2031) makes an allowance for 'windfall' development over the later phases of the plan period. The term 'windfall' refers to smaller sites that come forward over the lifetime of a plan, but cannot be specifically identified or allocated in a plan. An allowance is made for these sites that is deducted from the plan's housing requirement. For the Core Strategy and Places and Policies Local Plan, windfall sites are defined as previously-developed (or 'brownfield') sites capable of delivering one to four dwellings.
- 4.18 Table 4.5 shows historic windfall completions over the last decade between 1st April 2008 and 31st March 2017.

Monitoring Year	Net Gain Windfalls
2008	80
2009	138
2010	29
2011	46
2012	53
2013	49
2014	24
2015	78
2016	79
2017	49
Average	62.5

Table 4.5: Windfalls 2007 - 2017

- 4.19 As can be seen from the above table the Council has consistently had a reasonable windfall completions rate of between 50 and 80 dwellings per year between 2008 and 2017 – an average of 62.5 and 20% of all completions over the same period. Therefore the Council has the historical evidence to justify the inclusion of a windfall allowance in the land supply.
- 4.20 The Core Strategy identifies that around 1,000 dwellings are likely to come forward from this source. An allowance of 75 homes a year is made for the years 2018/19 to 2030/31 (the final 13 years of the plan period), equalling 975 homes in total (Core Strategy Table 4.2).
- 4.21 A Technical Note to the Core Strategy sets out further information on the plan's windfall allowance. This concludes that: *"... there is credible and compelling evidence to support a windfall allowance of 75 dwellings per annum in the Core Strategy, mostly made up of small sites of previously developed land/floorspace"*.
- 4.22 Regarding the distribution of windfall sites across the district, the Technical Note states that in the recent past windfall development has been more heavily concentrated within the Urban Area (Folkestone and Hythe) and much more limited in rural parts of the district. The Technical Note puts forward the following distribution of windfall dwellings:

- **Urban Area** - 65 per cent;
- **North Downs Area** - 15 per cent; and
- **Romney Marsh Area** - 20 per cent.

4.23 Applying these percentages to the windfall allowance of 75 dwellings a year yields the following figures (rounded to whole numbers):

- **Urban Area** - 49 dwellings a year;
- **North Downs Area** - 11 dwellings a year; and
- **Romney Marsh Area** - 15 dwellings a year.

4.24 Given that the Places and Policies Local Plan is being finalised after the adoption of the Core Strategy in 2013, a windfall allowance of 10 years has been included for Local Plan housing calculations (covering the years 2021/22-2030/31) - the years 2018/19 to 2020/21 have been discounted to avoid double-counting with sites currently with planning permission. Table 4.6 sets out this allowance.

Character Area	Percentage of allowance	Annual allowance (dwellings)*	Years remaining	Total for plan period (dwellings)
Urban Area	65%	49	10	490
North Downs Area	15%	11		110
Romney Marsh Area	20%	15		150
Total				750
<i>[*rounded to nearest whole number]</i>				

Table 4.6: Windfall allowance by Character Area

5. Places and Policies Local Plan Allocations

5.1 This section outlines the contribution to the district's housing land supply made by the remaining allocations from the 2013 Core Strategy and Places and Policies Local Plan.

5.2 Part One of the Places and Policies Local Plan sets out allocations for housing and other development on a number of sites in the Urban, Romney Marsh and North Downs character areas of the district.

5.3 As the plan has progressed through the plan-making process a number of these sites have been granted planning permission and development has begun on some of sites. As these sites have already been accounted for in the 'Net Housing Completions' and 'Homes Under Construction and with Permission' they have been discounted from the totals in this section. Where a range of dwellings is indicated in a policy the lower number of dwellings has been assumed for the future delivery.

5.4 Table 5.1 'Places and Policies Local Plan Allocated Sites' sets out the status of these sites as at 31 March 2018.

Policy	Site	Number of allocated dwellings	Extant Permission(s) at 31 March 2018	Remaining
Urban Character Area				
UA1	East Station Goods Yard, Folkestone	40	14/0928/SH	0
UA2	Rotunda and Marine Parade Car Park, Lower Sandgate Road, Folkestone	115	None	115
UA3	The Royal Victoria Hospital, Radnor Park Avenue, Folkestone	42	None	42
UA4	3-5 Shorncliffe Road, Folkestone	20	None	20
UA5	Ingles Manor, Castle Hill Avenue, Folkestone	46	17/0710/SH	0
UA6	Shepway Close, Folkestone	35	None	35
UA7	Former Gas Works, Ship Street, Folkestone	100	None	100
UA8	Highview School, Moat Farm Road, Folkestone	27	None	27
UA9	Brockman Family Centre, Cheriton	26 (50)	None	26
UA10	The Cherry Pickers PH, Cheriton	10 (20)	Y16/0747/SH	0
UA11	Affinity Water, Shearway Road, Cheriton	70	None	70
UA12	Encombe House, Sandgate	36	15/1154/SH	0
UA13	Smith's Medical, Hythe	80	None	80
UA14	Land at Station Road, Hythe	30	None	30
UA15	Land at the Saltwood Care Centre, Hythe	84 (C2 or C3 care units)	15/0720/SH	0

Policy	Site	Number of allocated dwellings	Extant Permission(s) at 31 March 2018	Remaining
UA16	St Saviour's Hospital, Seabrook Road, Hythe	50	None	50
UA17	Foxwood School, Seabrook Road, Hythe	150	None	150
UA18	Prince's Parade, Hythe	150	None	150
UA19	Hythe Swimming Pool, Hythe	50	None	50
				945
Romney Marsh Character Area				
RM1	Land at Cherry Garden, Littlestone	10	None	10
RM2	Land at Victoria Road West, Littlestone	70	None	70
RM3	Land rear of the Old School House, Church Lane, New Romney	20	15/0235/SH 16/0567/SH	0
RM4	Land west of Ashford Road, New Romney	60	None	60
RM5	Land adjoining the Marsh Academy, Station Road, New Romney	0	None	0
RM6	Kitewell Lane, rear of Ambulance Station, Lydd	8	None	8
RM7	Land south of Kitewell Road, Lydd	9	None	9
RM8	Station Yard, Station Road, Lydd	30	None	30
RM9	Former Sands Motel, Dymchurch Road, St Mary's Bay	85	07/1566/SH	0
RM10	Land rear of Varne Boat Club, Coast Drive, Greatstone	5	15/1132/SH	0
RM11	Car Park, Coast Drive, Greatstone	16	None	16
RM12	The Old Slaughterhouse 'Rosemary Corner' Brookland	5	None	5
RM13	Land north and south of Rye Road, Brookland	29	None	29
RM14	Land adjacent to Moore Close, Brenzett	26	None	26
				263
North Downs Character Area				
ND1	Former Officers' Mess, Aerodrome Road, Hawkinge	70	None	70
ND2	Mill Lane to rear of Mill Farm, Hawkinge	14	15/0741/SH	0

Policy	Site	Number of allocated dwellings	Extant Permission(s) at 31 March 2018	Remaining
ND3	Land adjacent Kent Battle of Britain Museum, Aerodrome Road, Hawkinge	100	None	100
ND4	Land rear of Broad Street, Lyminge	30	None	30
ND5	General Sellindge Policy. The Piggeries (5); Land west of Jubilee Cottage (15); Land at Barrow Hill (15); Silver Spray (5)	40	None	40
ND6	Former Lympe Airfield	125	None	125
ND7	Camping and Caravan Site, Stelling Minnis	11	None	11
ND8	Land adjoining 385, Canterbury Road, Densole	25	None	25
ND9	Etchinghill Nursery, Etchinghill	30	None	30
ND10	Land adjacent to the Golf Course, Etchinghill	8	None	8
				439

Table 5.1: Places and Policies Local Plan Allocations, Current Status and Housing Provision

5.5 Given that some of the remaining allocated sites may be developed for fewer homes than allocated in the policies, or that some development may be completed outside the plan period, a general allowance of 10 per cent has been deducted from these totals; this is considered to be a conservative estimate representing the worst case. Table 5.2 'Places and Policies Local Plan Allocations - Allowance for Non-delivery' shows this allowance for each character area.

Character Area	Total remaining allocation (dwellings)	Allowance for non-delivery	Total following allowance (dwellings)
Urban Area	945	10%	850
North Downs Area	439		395
Romney Marsh Area	263		236
Total			1481

Table 5.2: Places and Policies Local Plan Allocations: Allowance for Non-Delivery

5.6 Although most of the Core Strategy (2013) allocations now have planning permission, or are being developed, and so have been accounted for, there is some further potential which needs to be factored into the housing land supply assessment.

5.7 Core Strategy (2013) Policy CSD8: New Romney Strategy identified a broad location to the north of New Romney town centre for 300 dwellings. The status of this allocation is set out in Table 5.3 'Remaining Core Strategy (2013) Allocation', as at 31 March 2018.

5.8 Making the same allowance for non-delivery as for the Places and Policies allocations would leave an estimated 122 dwellings to come forward from the New Romney broad allocation, contributing to the supply in the Romney Marsh Area.

Policy	Site	Number of dwellings allocated	Extant planning permissions at 31 March 2018	Total Permitted Dwellings	Remaining allocation (dwellings)
CSD8	New Romney	300	15/0698/SH – 55 dwellings 15/0164/SH – 109 dwellings	164	136
Allowance for non-delivery					10%
Total following for non-delivery					122

Table 5.3: Remaining Core Strategy (2013) Allocation

5.9 Adding together these sources of supply - set out in Table 5.2 'Places and Policies Local Plan Allocations - Allowance for Non-delivery' and Table 5.3 'Remaining 2013 Core Strategy Allocation' making an appropriate allowance for non-delivery - provides the total estimated contributions to the district's housing land supply of remaining allocations over the period to 2031. Table 5.4 'Remaining Places and Policies and 2013 Core Strategy Allocations' sets out this summary.

Character Area	Remaining Places and Policies Local Plan allocation (dwellings)	Remaining Core Strategy Allocations (dwellings)	Total estimated remaining allocations (dwellings)
Urban Area	850	0	850
North Downs Area	395	0	395
Romney Marsh Area	236	122	358
Total			1603

Table 5.4: Remaining Places and Policies and Core Strategy Allocations

6. Final Local Plan Housing Supply 2006-2031

6.1 The Council has calculated a residual requirement against the *minimum* 350 homes a year requirement – a total of 8,750 new homes minimum. This takes into account the shortfall from the previous years and has spread this across the remaining plan period.

6.2 The table below shows that the Council has a total land supply of 6,791 units for the remaining plan period against a residual requirement of 5,130 units. This shows that the Core Strategy *minimum* requirement should be exceeded by 1,661 dwellings.

Local Plan Supply (2006-2031)		
Local Plan requirement 2006-31	8750	
Completions from 01/04/06 to 31/03/17	3,208	Add
Completion 01/04/17 to 31/03/18	412	
Residual Requirement	5,130	
Number of units required 2018/19-2030/31 (remaining 13 years) p.a.	395	
Total committed supply		
Allocations (without permission)*	1,603	Add
Planning permissions (not started)*	3,972	
Planning permissions (under construction)	466	
<i>[*10 per cent deducted to account for non-delivery]</i>		
Total land supply allocations + planning permissions (not started + under construction)	6,041	Add
Windfall allowance of 75 units p.a. x 10 (remaining years of the plan)	750	
Total supply	6,791	

Table 6.1: Local Plan Housing Land Supply (2006 - 31)

6.3 The Council can currently demonstrate a 5 year housing land supply of **5.73 years**. For full breakdown please refer to the Authority Monitoring Report 2016/17.

7. Conclusion

7.1 In this paper the Council has set out the evidence that underpins the adopted Core Strategy Local Plan (2013) objectively assessed housing need and the land supply situation in relation to residual land requirements and provides evidence that the allocations in the Places and Policies Local Plan will help the Council to meet this need in line with Government guidance.

7.2 This paper has demonstrated that the plan is in line with the Government's aim of boosting significantly the supply of housing, by setting out a requirement higher than that previously considered in either the Kent and Medway Structure Plan or the South East Plan. This represents a step change in the delivery of housing for the district and supports the Council's corporate aim to "provide and enable the right amount, type and range of housing".

7.3 Table 7.1 shows that the Core Strategy minimum housing requirement for the plan period to 2031 will be exceeded. This ensures that the council can confidently demonstrate that it is able meet its housing need requirements should some sites not progress as expected or should the rate of windfall development fall below anticipated levels. Furthermore, new homes delivered over the latter part of the 2013 Core Strategy plan period will be able to contribute to the District's increased housing needs to 2037 as currently being addressed through the Council's Core Strategy Review.

7.4 Folkestone & Hythe District Council therefore asks the Inspector to support the overall approach to housing as set out in the Places and Policies Local Plan (2018).

Minimum Targets	Supply and Total Projected Delivery					
A	B	C	D	E	F	G
<i>Number of homes</i>	<i>Completed 06/07-17/18</i>	<i>Under Construction at 2018</i>	<i>Permissions not started at 2018</i>	<i>PPLP / Core Strategy</i>	<i>Windfall (10 years)*</i>	<i>Total Projected Delivery (B+C+D+E+F)</i>
Urban Area – 75% of total (+/- 5%)						
6,563	2,454	331	3,301	850	490	7,426
Romney Marsh Area – 10% of total (+/- 5%)						
875	513	68	310	358	150	1,399
North Downs Area – 15% of total (+/- 5%)						
1,313	636	67	361	395	110	1,569
District Total						
8,750	3,603**	466	3,972	1,603	750	10,394

Table 7.1: Places and Policies Local Plan - Housing Land Supply Position 2006-31

* Windfall rounded to the nearest whole number

** There is a minor discrepancy of 17 dwellings with the AMR across two monitoring years (2014/15 and 2015/15)