

Authority Monitoring Report 2016

Shepway District Council



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Note

This document has not been formally adopted by Shepway District Council and is presented as a factual source of local data. Every effort has been made to provide accurate information but responsibility is not accepted for any errors that may be reproduced from this publication. Interested parties are strongly advised to raise any uncertainties or queries with the Shepway Planning Policy Team via the details below.

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1. Introduction

- 1.1. This is the Authority Monitoring Report (AMR) for the district of Shepway. Its purpose is to report on planning policy performance over the period 1 April 2015 to 31 March 2016 to:
 - Enable the success of existing policies and planning decisions to be evaluated; and
 - Assist in the review and maintenance of up-to-date local planning policies.
- 1.2. This main body of the report is structured according to the aims and monitoring indicators set out in the Shepway Core Strategy Local Plan (2013). The data contained is based on the most recent information available at the time of writing relating to the monitoring year (2015/16) unless stated. The Council is reviewing some of the indicators to ensure more accurate monitoring of the Core Strategy Local Plan.
- 1.3. The AMR is produced in accordance with The Town and County Planning (Local Planning) (England) Regulations 2012. These regulations are outlined in the paragraphs below.

Regulation 34(1): progress on producing local plan documents

1.4. An 'Issues and Options' Places and Policies Local Plan was produced for consultation in January 2015, to deliver Core Strategy requirements through new land allocations and development management policies. The document also invited land submissions (incorporating a 'call for sites'). Since the close of the monitoring period in March 2016, the next stage of the Local Plan, the Preferred Options consultation, has been published and consulted on and a new Submission Places and Policies Local Plan is being prepared. Updates will be provided in the next AMR.

Regulation 34(2): implementation of local plan policies

1.5. As stated in previous AMRs, the Council is no longer applying a number of formerly 'saved' District Local Plan Review (2006) policies, particularly following adoption of the Shepway Core Strategy Local Plan (18 September 2013). The Core Strategy introduced five development plan policies under its 'spatial strategy' section, nine 'Core Strategy Delivery' policies, and Policy DSD: Delivering Sustainable Development, reflecting the national 'presumption in favour of sustainable development'. Appendix 5 of the adopted Core Strategy sets out the continuing saved Local Plan (2006) policies effectively supporting the Core Strategy. It also outlines applicable supplementary planning documents. Further information is available on the Council's <u>website</u>.

Regulation 34(3) and 34(7): housing supply and monitoring (respectively)

1.6. Other sections in this Report deal with the monitoring of specific policies that have been applied in decision-making and provide further detail on housing supply.

Regulation 34(4): Neighbourhood Development Plans

- 1.7. There is currently one Neighbourhood Development Plan being prepared within the district, for St Mary in the Marsh.
- 1.8. A draft of the St Mary in the Marsh Neighbourhood plan was submitted to the Council for an initial assessment in August 2015. This concluded that the layout and presentation of the plan was generally very good but some changes needed to be made in order for the plan to meet the basic conditions. Shepway District Council continues to work with the parish council to refine the content and policy of the plan, as well as to develop the supporting documents.
- 1.9. There were no additions to the list of Assets of Community Value during the monitoring period. The St John Ambulance Hall, Hythe was removed from the list when it was sold to the Scout Association. A full list of Assets of Community Value is provided on the <u>'Right to bid'</u> page of the Council's website.

Regulation 34(5): Community Infrastructure Levy (CIL)

- 1.10. Regarding the examination of the Council's Community Infrastructure Levy (CIL) draft Charging Schedule, an introductory letter and briefing note were sent to all representors on 21 October 2015. The Examiner's Matters, Issues and Questions and the Examination Programme were sent to all representors on 30 October 2015. Representors were provided with a period until 27 November 2015 to respond to the Examiner in writing.
- 1.11. The Council was provided with a period until 16 December 2015 to consider whether the matters raised gave rise to the need for any modifications to the Charging Schedule. On 19 November 2015, the Department for Communities and Local Government (DCLG) commenced a review of CIL. The Examiner wrote to the Council and representors, drawing attention to this review. A period was provided for representations about the implications of the review for the examination to be made by all parties until 16 December 2015.
- 1.12. Following the close of the examination, the Examiner submitted his report to the Council on 3 March 2016. Therefore no CIL has been collected for the 2015/16 monitoring year.
- 1.13. Since the close of the monitoring period in March 2016 the Council has adopted CIL and the charges have come into effect. Further information is provided on

the <u>CIL pages</u> of the Council's website and an update will be provided in the next AMR.

Regulation 34(6): Duty to Cooperate

- 1.14. To ensure that Shepway meets the Duty to Cooperate, set out in the 2011 Localism Act, the following issues have been identified as being of strategic importance to be agreed with partners:
 - Housing (such as assisting with housing requirements, implications for schools or impacts on nature conservation sites);
 - Economic development and employment allocations;
 - Retail and town centre polices and allocations;
 - Strategic transport matters (including any implications relating to 'Operation Stack');
 - Gypsy and Travellers polices and allocations;
 - Renewable energy and climate change; and
 - Green infrastructure.
- 1.15. Significant collaborative work in the sub-region has already been undertaken by the East Kent Regeneration Board (EKRB) to confirm shared infrastructure priorities. This is informing Community Infrastructure Levy activity and influencing strategic funding bids, especially through the Kent and Medway Economic Partnership (a sub-regional board of the South East Local Enterprise Partnership).
- 1.16. General information sharing on strategic planning is well established in the county and East Kent through a number of existing professional groups such as the Kent Planning Officers Group (KPOG) and the Planning Policy Forum (PPF).
- 1.17. The EKRB also agreed a Memorandum of Understanding, initially drafted by Ashford Borough Council, to help formally tackle the duty. Shepway District Council formally agreed to this in June 2014. The Memorandum provides the basis for fulfilling the duty by setting out broad objectives and the topics where *"we will work together … where possible".*
- 1.18. Shepway acted under the Duty to Cooperate by contributing to the East Kent Gypsy and Traveller Accommodation Assessment. This assessment was undertaken by Salford University and meetings on this issue continued through 2013/14 that were attended by Shepway, Ashford, Canterbury, Dover, Thanet and Kent County Council officers.
- 1.19. The duty also includes cooperation with other prescribed public bodies, such as Historic England, the Environment Agency, Natural England, the Marine Management Organisation and the Civil Aviation Authority (CAA). Local

authorities must also cooperate with the Local Enterprise Partnership and local nature partnerships. Officers from Shepway have taken part in consultation exercises, in the form of a workshop and formulating responses to the South Marine Plan. Shepway also regularly attends the Kent and Medway Economic Partnership and Local Nature Partnership meetings.

2. Strategic Need A: Challenge to improve employment, educational attainment and economic performance

2.1. This section sets out performance against the aims in the Shepway Core Strategy Local Plan. The aims are listed in Core Strategy Appendix 3: Monitoring and Risk, and highlighted in bold in the coloured boxes below.

A1. Increase the population of settlements and their prosperity

- 2.2. The most recent official statistics state that the population of the district has increased from 100,300 in 2006 to 108,000 in 2011, a growth of 7,700 over a five year period (Source: Census 2011).
- 2.3. The 2015 mid-year estimate from the Office of National Statistics (ONS) indicates that Shepway currently has a population of 110,000, comprising 54,300 males (49.4 per cent) and 55,700 females (50.6 per cent).
- 2.4. The Core Strategy (2013) aims to deliver a total of 8,000 new dwellings between 2006 and 2026 resulting in an overall population growth of 7 per cent (0.4 per cent a year). To date this target is being exceeded, as the district's population has grown by 9,700 since 2006, representing an actual population growth of 9.7 per cent (0.97 per cent a year).
- 2.5. A simple increase in population, will not necessarily add to the district's prosperity, however an increase in the 'economically active' proportion of the population would have a positive effect on prosperity by increasing overall purchasing capacity.
- 2.6. The profile for Shepway shows that the district has an ageing population. At 43.5 years, the district has the oldest mean age for residents of any district in Kent, compared to a mean age of 40.8 years for the rest of Kent as a whole.
- 2.7. The NOMIS statistics for April 2015 to March 2016 shows that there were 57,500 'economically active' people in the district aged 16 or over, either in employment or unemployed. Of this figure, 83.4 per cent fell within the 16 to 64 'working age' group, an increase of 4.7 per cent on the previous year's figure of 78.7 per cent; this is now above the regional and national averages for this indicator over the same 2015-16 time period.
- 2.8. The annual average unemployment rate (as a percentage of the economically active population) for 2015 was 2.0 per cent of the district's population. This was down from 2.7 per cent in 2014, but still consistently above regional and national averages since 2009 (Source: Population Estimates Unit, ONS and Nomis, ONS).

A2. Enhance the viability/vitality and appeal of Town Centres, with Folkestone as a major commercial, cultural and tourism centre featuring upgraded connections and public realm

- 2.9. Policy SS4 of the Shepway Core Strategy (2013) requires that all development in Town and District Centres should contribute to a mix of active ground floor uses with predominantly retail goods (A1) frontage shopping retained at the core of the centres. This is measured through an annual survey of town centre vacancy rates in Folkestone Primary, Hythe, New Romney, Cheriton and Sandgate shopping areas. Secondary shopping areas are not monitored. The vacancy rates are reported on shop frontage length not number of units. The target is that vacancy rates by frontage should not exceed 10 per cent.
- 2.10. The annual shop front survey revealed that each of Shepway's key shopping areas has experienced an increase in vacancy levels, except for Hythe which saw a drop, compared with the same time last year; only Cheriton High Street exceeded the 10 per cent vacancy target.

| Shopping Area | Vacancy Rate 2014/15 (per cent) | Vacancy Rate 2015/16 (per cent) |
|--------------------|------------------------------------|---------------------------------|
| Folkestone Primary | 6.1 | 8.1 |
| Hythe | 4.7 | 3.5 |
| New Romney | 3.3 | 4.3 |
| Cheriton | 7.8 | 10.5 |
| Sandgate | | 5.4 |

2.11. The vacancy rates for each District Shopping Area for 2015/16 are as follows:

2.12. Over the course of the monitoring period, the projects set out below have helped to enhance the viability, vitality and appeal of Town Centres.

Folkestone

- 2.13. The Masterplan setting out the regeneration of Folkestone seafront and harbour received outline planning permission in early 2015.
- 2.14. The first stage of realising the vision for the area was the £3.5 million renovation of the Harbour Arm, which was completed and opened to the public in August 2015. This includes a number of small independent restaurant (A3) and drinking (A4) establishments. There remains a large area of the Harbour Arm that is still under the control of Network Rail that is to be refurbished in due course.

- 2.15. Examples of ongoing initiatives to regenerate the district and attract higher value employment opportunities into the district include the following:
 - The Roger De Haan Creative Foundation's investment in the Old High Street and Tontine Street to enable the development of a growing creative industries quarter in the town;
 - Folkestone Harbour Company has developed a masterplan to transform the port area into a high quality visitor destination, commercial and residential location. Early signs of success include the re-opening of the port's harbour arm to local people and visitors during 2015;
 - Folkestone Townscape Heritage Initiative (THI) is encouraging property owners in Folkestone's Old Town to renovate and improve their buildings with funding from the Heritage Lottery Fund; and
 - Development of a tourism Destination Management Plan for Shepway which will bring the wide range of partner organisations and the private sector to work together to increase the number of visitors to the district.

Hythe

- 2.16. Work commenced in February 2017 on a project to enhance the public realm of Mackeson Square in Hythe. This scheme is being funded by utilising some Section 106 contributions allocated for 'town centre purposes' including public realm improvements as a condition of the planning consent for a new Sainsbury's on Military Road, Hythe in 2009.
- 2.17. The purpose of the project is to revitalise Mackeson Square by creating a new, bright and vibrant public open space. This will enhance the gateway and sense of arrival into the High Street, aiding way-finding and the movement of pedestrians between Sainsbury's and the High Street in order to help mitigate the impacts of the development and supporting the viability of vitality of Hythe High Street.

A3. Achieve real terms increases in gross incomes

2.18. Recent figures for Shepway (2015) show that the average gross weekly pay for residents in full-time employment was £543.80, an increase of £62.40 since last year. The target as set out in the Core Strategy (2013) is an increase of gross weekly pay by £3.35 per annum. This target has therefore been met for this annual monitoring period. Resident based weekly earnings for Kent as a whole was £552 (Full Time Workers) in 2015. The data can also be used to compare female and male earnings; however, it does not show differences in rates of pay for comparable jobs. This is because they do not allow for the different employment characteristics of men and women, such as the proportion in different occupations and their length of time in jobs. In 2015, male weekly earnings were £605.60, for females it was £388.30. Although both male and

female earnings have grown, the difference between male and female earnings living in Kent has increased since 2002.

(Source: KCC Research and Evaluation - http://www.kent.gov.uk/___data/assets/pdf_file/0020/8183/Earnings-in-Kent.pdf).

A4. Grow the proportion of residents with higher-level qualifications

- 2.19. In 2015, the percentage of Shepway residents (aged 16-64) with qualifications at NVQ Level 4 and above was 22.8 per cent, down 2.9 per cent from last year's figure.
- 2.20. This is falling well short of the annual 0.3 per cent growth target set out in the Core Strategy (2013), which sought to reduce the gap to the South East Region of attainment. In 2009 this gap stood at 6 per cent. In the time that has elapsed since, this gap has widened significantly to 17 per cent, as the percentage of Shepway residents attaining NVQ Level 4 has fallen in contrast to a rise to 39.8 per cent for the South East Region.

(Source: KCC Research and Evaluation).

A5. Deliver a flexible supply of employment land in terms of location, size and type

- 2.21. According to the 2015/16 Commercial Information Audit, 5,235sqm of employment (B-class development) was completed in the district during this time period, with a further 1,108sqm under construction at the time of the audit. This was however, offset by a loss of 2,458sqm of B-class employment land and space to other uses.
- 2.22. Planning applications received for B class employment land, during 2015/16 monitoring period include the following:
 - Link Park, Lympne (Y15/0880/SH): Extension to time limit of planning permission Y06/0552/SH for outline permission for the erection of up to 52,000sqm of employment development Business (Class B1), General Industry (Class B2) and Storage and Distribution (Class B8). Application status at December 2015 – pending decision;
 - Mountfield Road Industrial Estate (plot 17), New Romney (Y15/0373/SH): Erection of two single storey industrial buildings each comprising of four units for business (Class B1) and storage or distribution (Class B8) use. Application status at December 2015 – approved with conditions; and
 - Sycamore Farm, Old Romney (Y15/0864/SH): Change of use and conversion of existing agricultural building to an office/light industrial (Class B1), general industrial (Class B2) and storage/distribution (Class B8) use. Application status at December 2015 approved with conditions.

A6. Maximise the efficient use of infrastructure and secure further improvements unlocking the development of priority sites, communities and areas

- 2.23. In July 2014 the South East Local Enterprise Partnership secured a £442 million funding package as part of the Government's localism agenda to boost economic growth in the South East.
- 2.24. The funding was allocated based on the South East Local Enterprise Partnership Strategic Economic Plan. This set out the infrastructure and business needs required to support economic growth in the South East Local Enterprise Partnership area. Kent's allocation of the South East Local Enterprise Partnership award is £98 million for transport initiatives. This funding will be made available from April 2015 until March 2021.
- 2.25. During the 2015/16 period the following progress has been made toward the milestones identified in the Core Strategy (2013) to provide an overview of progress in the successful implementation of primary elements of the Spatial Strategy:

Critical Infrastructure

- South of Hawkinge A20/A260 junction: These works have been implemented and are currently under the maintenance period;
- Cheriton High Street A20 Spur Junction: The hybrid application (Ref 14/0300) for the redevelopment of land at Shorncliffe Garrison was granted permission in December 2015. Technical approval for a series of highway improvements was issued by Kent County Council (KCC) and was to be undertaken prior to first occupation. Technical approval was agreed by KCC Highways but applied to vary condition / Section 106 to phase works as if all works were carried out simultaneously it would have an impact on local road network. Works are anticipated to commence in summer 2017;
- Newingreen A20/A261/Stone Street junction: KCC is currently considering options for this junction as the Section 106 funding from Nickolls Quarry for these improvements has now been received, which is about £330,000. Highways England (formerly the Highways Agency) has confirmed that as part of the proposals for the Lorry Park it may be looking at part-funding improvements towards this junction;
- Folkestone Seafront priority connections including Tram Road: Works to make Tram Road, Folkestone a two-way road were completed on 5 May 2014, thereby improving accessibility to and from the harbour and seafront. Further highway improvements to Tontine Street are currently on-going to make it two-way for buses. Works are expected to finish in April/May 2016;

- Folkestone Central Railway Station Access Upgrades: A comprehensive way-finding initiative to improve linkages between Folkestone Central Railway Station and Folkestone Town Centre and Coastline was completed last year. Consultants 'All Points West' designed a scheme that was funded by KCC, Shepway District Council, Folkestone Town Council and the Creative Foundation;
- Folkestone West Railway Station: Improvements to Folkestone West Station were completed in July 2015 as part of £1.7 million investment. In addition to an extra 200 car parking spaces, the station also has a new forecourt area with a customer drop-off point, and a new ticket office designed to meet accessibility requirements;
- Seabrook / Shorncliffe Green Infrastructure: The hybrid application (Ref 14/0300) for the redevelopment of land at Shorncliffe Garrison was granted permission in December 2015. Condition 20(a) states that prior to the occupation of the first dwelling an Interim Management Plan for the Backdoor Training Area shall have been submitted to and approved by the local planning authority. The trigger point for the submission of the Interim Management Plan has not yet been reached;
- Folkestone Seafront Flood Defences: These flood defences had been completed by the council in 2004. It now undergoes twice yearly maintenance; and
- Scanlons Bridge, Hythe: Junction modifications and improvements to the A259/A2621 at Scanlons Bridge, Hythe were completed between September and November 2015. The scheme, funded by Section 106 monies from Sainsbury's and Nickolls Quarry, was designed to remove the bottleneck and ease the flow of traffic by increasing Folkestone-bound lanes on part of the A261 from one to two.

Housing and Employment Delivery

2.26. The Core Strategy (2013) set a minimum target of 3,500 net additional dwelling completions from 2006/07 and 10ha net additional employment floor space by 2016.

| Monitoring Period | Residential Net Completions | Employment Net completions (sqm) |
|-------------------|-----------------------------------|-------------------------------------|
| | | |
| 2006/07 | 146 | -5,440 |
| 2007/08 | 402 | 7,493 |
| 2008/09 | 562 | 5,729 |
| 2009/10 | 180 | -8,765 |
| 2010/11 | 132 | 919 |
| 2011/12 | 207 | 6,148 |
| 2012/13 | 206 | 4,016 |
| 2013/14 | 165 | 2,800 |
| 2014/15 | 348 | -1,679 |
| 2015/16 | 293 | 2,777 |
| | | |
| Total | 2,641 | 13,998 (1.4 ha) |

* Prior to 2008 only the B use classes were monitored and A2 was included with B1.

A7. Provide housing of a quality and type suited to long-term economic development needs

2.27. A total of 84 affordable dwellings were provided over the course of the 2015/16 monitoring period. This is broken down into 38 affordable rent, 26 shared ownership and 20 shared equity. This figure increases to 105 completions when counting includes No Use Empty Scheme, ex-Right to Buy properties that have been re-acquired, Mortgage Rescue and Local Authority Mortgage Scheme.

A8. Regenerate deprived neighbourhoods, including Central and Northern Folkestone and in pockets within Romney Marsh

- 2.28. The Department for Communities and Local Government (CLG) updated the indices of deprivation, including the Index of Multiple Deprivation (IMD) in 2015. The Index of Multiple Deprivation (IMD) combines information from the seven domains to produce an overall relative measure of deprivation. The domains are combined using the following weights:
 - Income Deprivation (22.5 per cent);
 - Employment Deprivation (22.5 per cent);
 - Education, Skills and Training Deprivation (13.5 per cent);
 - Health Deprivation and Disability (13.5 per cent);
 - Crime (9.3 per cent);
 - Barriers to Housing and Services (9.3 per cent); and

- Living Environment Deprivation (9.3 per cent).
- 2.29. Shepway has moved down in the rankings which indicate that levels of deprivation have reduced between 2010 and 2015 relative to other local authorities in England. Shepway is currently ranked 113/326 of local authorities nationally and 3/12 in Kent. (A rank of 1 represents the most deprived area.)
- 2.30. According to the South Coast Annual Report for 2015/16, 60 per cent of people in Shepway are in the bottom two deprivation quartiles.
- 2.31. The Core Strategy (2013) aims to monitor the regeneration of deprived neighbourhoods in Folkestone East, Foord, Harbour, Central, Lydd Ward and the westernmost part of Romney Marsh Ward. (Since the adoption of the Core Strategy the wards within Shepway District have been amended and ward names in this section refer to the old wards; this section will be updated in future AMRs as new deprivation information becomes available from CLG.) A summary of ward deprivation data is provided below:
 - Folkestone East (LSOAs 003A, 003C, 003B): Neighbourhoods within this ward range between the 10 per cent and 30 per cent most deprived in the country. Deprivation across all these areas has increased compared to the equivalent 2010 figures;
 - Folkestone Foord (LSOAs 004A, 004B, 004C, 004D): Neighbourhoods within this ward range between the 20 per cent and 30 per cent most deprived in the country. Results have been mixed, with deprivation reducing in some areas but increasing in others;
 - Folkestone Harvey Central (LSOAs 015A, 014B, 014C, 014D): Neighbourhoods within this ward range between the 10 per cent and 30 per cent most deprived neighbourhoods in the country. However, the LSOAs here are where there has been the most marked improvement in rankings. The development of the Creative Quarter is likely to have been the key driver of the improvement;
 - Folkestone Harbour (LSOAs 014A, 004E, 003D): Neighbourhoods within this ward range between the 10 per cent and 50 per cent most deprived neighbourhoods in the country. Deprivation has increased in and around the harbour despite being earmarked for regeneration; process of regeneration can cause a place to get worse before it gets better because of the negative effects for local communities associated with relocation, demolitions, void housing, environmental quality and general uncertainty;
 - Lydd (LSOAs 013A, 013B, 013C, 013D): Neighbourhoods within this ward range between the 30 per cent and 50 per cent most deprived in the country; and
 - Romney Marsh (LSOA 011D): The neighbourhoods within the westernmost part of this ward are amongst the 30 per cent most deprived neighbourhoods in the country.

(Source: IMD Explorer 2015.)

A9. Expand cultural and creative activity in the district, with refurbished premises and spaces in Folkestone's old town forming a vibrant Creative Quarter visitor attraction

- 2.32. In May 2015, the Council granted planning permission for the renovation of the building at the junction of Tontine Street and The Old High Street, covering the addresses of 3 to 7 Tontine Street and 73, 77 to 79 The Old High Street. The proposal is for the remodelling of the ground floor space to provide three individual spaces, but which can be combined, if required, to provide small, medium and a large unit. In relation to uses, the ground floor is proposed to have a flexible use spanning use classes A1 (retail), B1 (business) and D1 (non-residential institutions). The upper floors are to be reconfigured to provide 8 residential units, with four having associated studios.
- 2.33.In September 2015, the Heritage Lottery Fund announced that Folkestone Town Council's £1.95 million funding application had been successful, awarding £1.95 million for the renovation of Folkestone Town Hall to create a new museum and cultural hub. The project is part of the Council's 'Folkestone HEART' project which is aiming to improve Folkestone's cultural and historic assets and support the regeneration of the town to boost tourism. Construction is expected to begin in Spring 2016.
- 2.34. In March 2016, the District Council awarded planning approval for a new indoor Urban Sports Park. Following a series of public consultation in May 2015, detailed proposals were developed by Guy Hollaway Architects for the new centre which will include a multi-storey skate park, together with state of the art facilities for climbing, bouldering and boxing. The project which is due to commence in 2018 would see the regeneration of the former Bingo Hall and Co-op buildings at the junction of Dover Road and Tontine Street.

Strategic Need B: Challenge to enhance the management and maintenance of natural and historic assets

B1. Expand green infrastructure and enhance its connectivity, making a positive contribution to managing the impacts of climate change through adaptation and mitigation

- 3.1. There have been neither gains nor losses in the number of Local Wildlife Sites in Shepway for the period of this AMR.
- 3.2. The Dungeness, Romney Marsh and Rye Bay area has now become fully designated as a Special Protection Area and wetland of international importance, known as a 'Ramsar site'.
- 3.3. The Marine and Coastal Access Act 2009 allows for the creation of a type of Marine Protected Area (MPA), called a Marine Conservation Zone (MCZ). MCZs protect a range of nationally important marine wildlife, habitats, geology and geomorphology and can be designated anywhere in English and Welsh inshore and UK offshore waters. Folkestone Pomerania MCZ was amongst the first to be designated in 2013. In February 2014 the Government announced a second tranche of candidate sites including one from Dover to Folkestone. That proposal was consulted on in January 2015 and the decision to confirm the designation was announced in January 2016. A further site at Hythe Bay was proposed for designation as part of the 2013 DEFRA consultation. However as the proposal raised strong opposition from the fishing industry, the decision to designate was deferred to allow for further discussion with local fishing representatives. The decision on the Hythe Bay MCZ has been deferred until 2018, when it is hoped the site will be designated and a suitable management solution reached.

B2. Minimise local carbon emissions, maintain air quality, control pollutants and promote sustainable waste management

3.4. The Department of Energy and Climate Change published figures for carbon emissions for local authorities for 2014 in June 2016. The most recent publication shows the local authority CO₂ emission estimates (kt CO₂) based on industry, domestic and transport sectors for the years 2005 to 2012. It also shows a total per capita use. It can be seen from the table that there has been an overall decline in carbon emissions over the last ten years in Shepway.

| Year | Industry and Commercial | Domestic | Transport | Total per capita |
|------|----------------------------|----------|-----------|---------------------|
| 2005 | 336.0 | 257.8 | 230.5 | 8.1 |
| 2006 | 339.5 | 257.5 | 237.7 | 8.2 |
| 2007 | 319.0 | 249.0 | 240.1 | 7.8 |
| 2008 | 239.7 | 250.2 | 230.1 | 6.9 |
| 2009 | 201.5 | 226.9 | 219.4 | 6.1 |
| 2010 | 215.5 | 245.6 | 212.2 | 6.3 |
| 2011 | 192.8 | 213.7 | 208.7 | 5.7 |
| 2012 | 197.5 | 228.4 | 210.6 | 5.9 |
| 2013 | 185.7 | 221.1 | 208.7 | 5.6 |
| 2014 | 163.1 | 186.2 | 212.5 | 5.1 |

- 3.5. There were no planning applications received or determined for sustainable waste handling facilities within the period.
- 3.6. The Council monitors air quality across the district. The main source of air pollution in the district is road traffic emissions from major roads, notably the M20, A20, A259, A260 and A2034. Other pollution sources, including commercial, industrial and domestic sources, also make a contribution to background pollutant concentrations. There are no Air Quality Management Areas (AQMAs) in the district. No exceedences of the annual mean objective for NO₂ have been recorded in Shepway at any time. In 2015, the majority of monitoring sites recorded a decrease in the annual mean NO₂ concentration compared to 2014. The highest annual mean NO₂ concentration in 2015 was recorded at Blackbull Road with the annual mean concentration of 28.6µg/m³.

(Source: http://www.shepway.gov.uk/media/4007/Air-Quality-Annual-Status-Report-ASR-2016/pdf/Air_Quality_Annual_Status_Report_(ASR)_2016.pdf)

B3. Protect and enhance habitats and species to sustain biodiversity, particularly where of international and national significance including a focus on Dungeness and Folkestone Warren

3.7. The status of Site of Special Scientific Interest (SSSI) land is monitored by Natural England; however the surveys of the land are not carried out every year. No further surveys of Folkestone Warren nor Dungeness have been carried out since last year's AMR. A new indicator is being developed to consider all SSSI sites in the district on an annual basis given the infrequency of the surveys by Natural England.

B4. Manage sensitive landscapes shaping the character of the district, especially on the edge of settlements or within the Kent Downs AONB and its setting

- 3.8. The current Kent Downs Management Plan and associated Action Plan are for the years 2014-2019. Priorities were assessed against a red, amber or green rating; there are 88 actions: 38 green, 48 amber and 2 red. This is midway in the five year action plan period and it is expected that these ratings will change.
- 3.9. However those indicators covered the whole of the AONB area that includes 12 local authorities.

B5. Increase the efficiency of water management to maintain local water resources and to improve the quality of watercourses and the sea

- 3.10. Throughout the summer, the Environment Agency collects scientific data on the cleanliness of our bathing waters. In Shepway, six beaches are measured: Folkestone, Hythe, Sandgate, Dymchurch, St Mary's Bay and Littlestone. A classification for each bathing water is calculated annually, based on all of the samples from the previous four years. These classifications, from best to worst, are 'excellent', 'good', 'sufficient' or 'poor'. From 2015 there are new, tighter standards.
- 3.11. Folkestone, Hythe and Sandgate all meet the excellent standard, reflecting no change from the previous three years, whilst Dymchurch was classed as good for the second year in a row. The Environment Agency state that: *"Marsh river drainage, which includes sewage effluent and diffuse agricultural runoff, may be the reason for occasional water quality of a lower standard."* St Mary's Bay was classed as good which was no change. Environment Agency investigations have identified the New Sewer as a source of pollution to explain reduced water quality in the past. This river takes the drainage from the surrounding marshland, which includes agricultural runoff and private sewage effluents. Discharge from the long sea outfall in Hythe may also occasionally cause a reduction in water quality.
- 3.12. Littlestone was classed as sufficient, reflecting no change from the previous year. According to the Environment Agency's investigations some exceedances

have been attributed to storm overflow discharges and contamination from marsh drains. The reason for the frequent exceedance of guideline standards, which occur particularly during the holiday season, is not yet identified. There is a drainage ditch, which receives the effluent from New Romney sewage treatment works and discharges onto the beach in regular intervals. Diffuse agricultural pollution from the marsh drainage may also affect bathing water quality. There are also a high number of private sewerage systems in place especially towards Greatstone. Since the sewer network was recently extended to serve this previously un-sewered area, the impact of private discharges should start to decrease if households connect to the system. Investigations in Littlestone are ongoing.

B6. Maintain the sense of openness and tranquillity of the countryside and undeveloped coast

- 3.13. Information relating to planning permissions for new build residential development is not currently available. Work will be undertaken to develop a more suitable indicator to monitor openness and tranquillity
- B7. Manage Shepway's coast to ensure resilience to climate change processes, reducing the risk to life and property from flood hazards, and actively managing coastal environments for green infrastructure and sustainable recreational purposes
- 3.14. Much of Romney Marsh is below the present day high tide level and 14,500 homes, 700 businesses and nationally important critical infrastructure are at risk of flooding. Climate change and rising sea levels mean the number of people affected by flooding and erosion will increase significantly in the coming years if no new defences are constructed. In the Folkestone to Cliff End Strategy (FoCES), the Environment Agency set out plans to manage flood and erosion risks along the coastline of Romney Marsh over the next 100 years, taking the predicted impacts of climate change into account.
- 3.15. The Folkestone to Cliff End Strategy is managed by the Environment Agency and not Shepway District Council. It identified various schemes and this indicator is concerned with the implementation of those schemes. Business cases for the Hythe Ranges, Romney Sands (Greatstone) and the Lydd Ranges are currently being developed. Subject to funding and obtaining the necessary approvals, the remaining schemes are expected to be completed by 2022. For Littlestone to St Mary's Bay the rock groyne at Greatstone was completed in 2014 and a shingle recharge was completed in 2016.
- 3.16. The new Broomhill Sands coastal defence scheme was completed in 2016. This was a £30 million scheme that will protect approximately 1,300 homes and

over 100 businesses. It has increased the standard of protection from coastal flooding to the area from 1 in 20 years to 1 in 200 years, taking into account predicted sea level rises. The scheme covered a 2.4 kilometre frontage from The Suttons, Camber to the western boundary of Lydd Ranges, and included:

- Installation of a new rock revetment;
- Construction of a new wave wall;
- Increasing the amount of shingle on the beach;
- Replacing a number of the timber groynes; and
- Construction of improved access steps.

B8. Enhance the character and function of Shepway's historic towns and villages, and the management of historic assets/visitor attractions

3.17. No further Conservation Area Appraisals have been produced or reviewed. Shepway District Council has appointed Kent County Council to undertake a Heritage Strategy for the district. This strategy will ensure that the heritage of the district plays an important role in shaping future development by providing clear guidance for the Places and Policies Local Plan. It is also intended that the strategy will have a wider role, raising the awareness of heritage and assisting with regeneration and project funding bids by providing a strategic and clear approach in dealing with the many heritage assets in the district.

B9. Promote choice in means of transport through opportunities for walking and cycling and improved public transport networks and information

- 3.18. Information regarding any change in the bus number of bus routes is not currently available but will be included in future editions of this report.
- 3.19. Data gathered by the Office of Rail and Road in station usage the estimated total number of entries and exits made at stations, shows that for the year 2015/16 there was an increase in station usage at Folkestone West of 15.19 per cent. There was a decrease at Folkestone Central of 4.1 per cent, Sandling also saw a decrease of 8 per cent. At Westenhanger there was a decrease of 1.4 per cent.

Strategic Need C: Challenge to improve the quality of life and sense of place, vibrancy and social mix

C1. Maintain cohesive neighbourhoods and encourage increased voluntary activity, retention of viable local community buildings and civic interest in community development

- 4.1. There is currently one Neighbourhood Plan that is being prepared within the district. St Mary in the Marsh Parish Council is currently finalising its plan and the supporting information. It is anticipated that these will be submitted to the District Council late winter/early spring 2017.
- 4.2. The draft information will include:
 - A map of the neighbourhood plan area;
 - The consultation statement;
 - The proposed neighbourhood development plan;
 - The basic conditions statement; and
 - An environmental screening statement.

C2. Ensure choice of high-quality residential accommodation is maximised within individual neighbourhoods and villages, with a mix of housing size, type and tenure

4.3. The target for this aim is that 50 per cent of completions over the plan period to consist of 3 (or more) bedroom dwellings. For the period 2015 to 2016, 181 dwellings out of a possible 342 dwellings were 3 or more bedroom dwellings, resulting in a percentage of 52.92 per cent. This is an increase from the period 2014 to 2015, whereby 83 dwellings out of a possible 348 were 3 or more bedroom dwellings, representing a percentage of 27 per cent.

C3. Assist in meeting the essential needs of vulnerable local social groups and provide more properties that allow people to remain living independently

- 4.4. The Lifetime Homes Standards have now been abolished and the new system comprises additional Building Regulations. Building Regulations Part M addresses access to and use of buildings.
- C4. Improve sports facilities and reduce relative disparities in the health of communities

4.5. During the year 2015/16 a new 4G synthetic playing pitch complex was built as part of the Three Hills Sport Development with funding support from Sport England and Shepway District Council. Closer links have been forged as part of the South Kent Coast Health and Wellbeing Board with statutory agencies to tackle disparities of health across the district with a number of commissioned services to tackle key headline priorities including obesity, mental health and chronic disease for example.

C5. Increase access to services that are appropriate to the needs of the local population and maintain essential rural services

- 4.6. There were no new school premises provided in the year.
- 4.7. A branch surgery was closed at New Romney in 2015; whilst most patients have been taken on at a local purpose-built surgery, the Clinical Commissioning Group has identified New Romney as being in need of investment for medical facilities.
- 4.8. During this time period the NHS South Kent Coast Clinical Commissioning Group has developed an enhanced service protocol for GPs to deal more effectively with homeless people. One example which is within Shepway is working with the Rainbow Centre in Folkestone to provide outreach services to address the needs of homeless people.

C6. Improve the urban environment, including the usage and sense of security of key public spaces including major parks, town centres and public transport stations

- 4.9. There have been a number of improvements to the urban environment in Shepway over the course of 2015/16. Funding to improve access to the Lower Leas Coastal Park is to be sought from the Heritage Lottery Fund in autumn 2016. The aim of the project is to reinstate the cliff paths either side of the Leas Cliff Hall, restore an associated subway and heritage features, promotion of the heritage interest of the site and associated community activities
- 4.10. Work commenced at Tontine Street, Folkestone in November 2015 and will become a two-way street in May 2016 for buses, taxis and cycles in order to improve access and permeability by sustainable forms of transport. Renovation works to buildings in Tontine Street are also being carried out with exterior painting improving the aesthetics of the buildings.
- 4.11. As discussed in Section A.2, improvements to public open space have been completed at Mackeson Square, Hythe during this monitoring period. Works included new planting and the creation of new walkways. This project also improved the permeability of this part of Hythe. In addition to the above, the

parks and public realm in Shepway are the focus of a continuous programme of improvements throughout the year.

4.12. The District Council Ground Maintenance (GM) Team became responsible for ensuring that Payers Park is free of litter and that the play equipment is safe to use. The GM Team also planted in excess of 50 trees in various open spaces across the district as part of the council's ongoing commitment to improve the appearance of the area. The final phase of Wakefield Walk, including the herbaceous border re-planting project, was completed in March 2016, and 60,000 crocus bulbs were planted in grass verges alongside Ladies Walk in October 2015.

C7. Reintegrate physically divided or highly linear villages and neighbourhoods through central social infrastructure or community development

4.13. Proposals that would include residential development, community buildings and a village green continued to be progressed at Sellindge following the approval of a hybrid application for the redevelopment of land between the A20 and M20 at Sellindge. The application was for outline permission (with all matters reserved except access) comprising of 200 dwellings, local mixed-use centre containing parish offices, and associated storage and commercial together with access from the A20, associated roads, parking, earthworks, open space including attenuation features and landscaping. The full application comprised 50 dwellings, village green and play equipment, access from the A20, associated roads, community car parking, earthworks, open space including attenuation features and landscaping. This application was granted planning permission on 22 January 2016. Sellindge is currently highly linear and therefore lacks a central focus that helps to foster community development.

C8. Improve Town Centre environments, facilities and communications for businesses and visitors in the Romney Marsh area

4.14. The Economic Development Team at Shepway District Council continues to work with other organisations to improve the economic prospects of the Romney Marsh. In particular the Council supports the Romney Marsh Partnership (RMP) which was established to mitigate the impacts of the closure of Dungeness 'A' Nuclear Power Station. The RMP includes partners from Ashford, Rother, Kent and East Sussex County Councils, the nuclear industry, education, and the private sector and works to implement actions identified in the Romney Marsh Delivery Plan. The Council employs a Coordinator on the partnership's behalf.

- 4.15. During the 2015-16 AMR period the Council supported Dymchurch's successful bid for government funding to create a Coastal Community Team (CCT) and to produce a related economic plan for the village. The Council continues to support the work of Dymchurch CCT, and is currently supporting a newly created CCT for New Romney.
- 4.16. The Team was instrumental in securing Heritage Lottery Fund grant support for the Kent Wildlife Trust-led Fifth Continent Romney Marsh Landscape Partnership Scheme, which has subsequently secured full funding. The approximately £2 million programme will now start in the summer of 2017.
- 4.17. During the 2015-16 period, the Economic Development Team also led to conclusion Stage One of the Romney Marsh Sustainable Access Strategy, which is identifying ways of managing visitor flows across the Romney Marsh's Natura 2000 sites.
- C9. Consolidate communities that are hosting significant new developments including at Hawkinge and Hythe
- 4.18. Progress has continued on a number of 'major' residential developments which will see many new community facilities, public services and new build employment premises. In addition to the new development at Sellindge discussed in Section C7, the following developments have also begun:
 - Folkestone Seafront Shepway District Council's outline planning approval for the plan prepared by Sir Terry Farrell for the development of Folkestone seafront and the planning certificate was granted in early 2015. This was a key step forward and followed extensive public consultation and planning by teams of experts. Outline planning permission has established clear design principles and an overall vision for the site. Securing interest from potential developers who will be attracted by the seafront's undoubted potential will be largely driven by the prevailing economic climate, and in particular the strength of the housing market. The approach throughout has been governed by the ambition to create a new seafront for Folkestone that significantly enhances the town and provides benefits for its residents and for visitors. Central to this are attention to design excellence and the aspiration to realise long term regeneration goals that complement initiatives elsewhere in the town. The plans include public spaces and leisure facilities and will make a major contribution to the attractiveness of Folkestone as a successful place where people can live, work and bring up their children;
 - Folkestone Harbour Arm The harbour arm reopened in the summer 2015. Although still in the early stages of its redevelopment, it has rapidly become a food, drink and entertainment destination for the town. Future

plans include the restoration of the stone platforms and ironwork applied for kickstarter funding from the Local Growth Fund for major infrastructure works including sea defence work, ground investigation and provision of essential services, in readiness for site development;

- **Hawkinge Mixed-use Land** Highway improvements have been completed and a number of the units are under construction;
- **Nickolls Quarry** Work has started on site, so far 192 homes are being built. This development will include a major community facility; and
- Shorncliffe Garrison This development will provide a new primary school, leisure facilities including a pavilion for the football pitches and a large area of open space. Work commenced on 4 January 2016 and phases 1A (St Martin's Plain) and 1B (The Stadium) are both under construction.

Five year supply of deliverable housing sites

FIVE YEAR HOUSING LAND SUPPLY STATEMENT FOR THE PERIOD 1 APRIL 2017 TO 31 MARCH 2022

SHEPWAY DISTRICT COUNCIL

SUMMARY

Shepway has a supply of deliverable sites of up to 142 per cent (7.1 years' supply) against the adopted Core Strategy Local Plan minimum requirement for the period April 2017 to March 2022 (inclusive).

Delivery rates from 2006/07 and a projection for the current year (2016/17) are taken into account to produce an annual requirement based on the 'Liverpool' methodology. The use of the 'Liverpool' methodology is backed by a recent High Court judgment (Case No. CO/4792/2014).

The number of identified sites is higher than the number of sites included in the previous year's supply with a total of 2,956 dwellings.

When considered against the requirements of the National Planning Policy Framework (paragraph 47), the five year supply is met with a **5 per cent** buffer using the Liverpool Method.

87 per cent of the supply included is on sites that have planning permission (a further 5 per cent are applications pending a decision). Allocated sites in the Core Strategy and the 2006 Shepway Local Plan only account for 2.5 per cent as the majority of these now have planning permission. The supply assumes 5 per cent for windfall sites. The supply does not include emerging allocations in the Places and Policies Local Plan that do not have planning permission.

1. Introduction

1.1 The National Planning Policy Framework (NPPF) requires local planning authorities to identify and update annually a supply of specific deliverable sites sufficient to provide five years' worth of housing against their housing requirements. The NPPF also requires an additional buffer of 5 per cent to ensure choice and competition in the housing market. In cases where there has been a record of persistent under delivery, then the NPPF states that local authorities should increase the buffer to 20 per cent (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned supply.

- 1.2. This year, the District Council believes that a 5 per cent buffer should be provided due to the good delivery rates when a longer term is considered.
- 1.3 This document sets out Shepway District Council's assessment of its five year supply of deliverable housing sites. It also considers the most appropriate method of calculation in light of national guidance as well as the decisions made by Planning Inspector Christina Downes in her Appeal Decision (APP/L2250/A/13/2210752) on the development proposed at the Land at the former Lympne Airfield in September 2014 and the subsequent High Court Judgment (CO/4792/2014) in March 2015.

2. Housing Requirement Considerations

2.1 Following the adoption of the Core Strategy Local Plan in September 2013, the housing delivery target confirmed as a <u>minimum</u> of 350 dwellings a year (Policy SS2: Housing and the Economy Growth Strategy). Further allowances are, however, required by the NPPF and need to be considered:

An additional buffer:

- 2.2 Since 2014, the District Council calculated the housing requirement with a 20 per cent buffer because it had been considered at a planning appeal¹ that the there had been a persistent under-delivery based on a time period from 2006/07 and using the target set out in the Core Strategy.
- 2.3 Whilst this was accepted, there are three issues that have been overlooked that would provide evidence as to why the district should not be considered as persistently under-delivering.
- 2.4 The first issue relates to the change from the Kent Structure Plan to the Core Strategy Local Plan. When the Core Strategy was adopted in 2013, 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 (2006), which had set a reducing target for new homes over the plan period. This target had been met by the District Council.
- 2.5 Table 1 below sets out the completions from 2001 until 2016, and the annual requirement for both the Core Strategy and that of the Kent Structure Plan up to the adoption of the Core Strategy in 2013.

¹ Planning Inspector Christina Downes in her Appeal Decision (APP/L2250/A/13/2210752)

| Year | Number of completions | Plan requirement | Per cent delivery | Cumulative total +/- | Structure Plan Requirement |
|---------|-----------------------|---------------------|----------------------|-------------------------|----------------------------------|
| 2001/02 | 410 | 360 | 113.89 | 50 | 360 |
| 2002/03 | 400 | 360 | 111.11 | 90 | 360 |
| 2003/04 | 369 | 360 | 102.50 | 99 | 360 |
| 2004/05 | 376 | 360 | 104.44 | 115 | 360 |
| 2005/06 | 753 | 360 | 209.17 | 508 | 360 |
| 2006/07 | 146 | 350 | 41.71 | 304 | 300 |
| 2007/08 | 402 | 350 | 114.86 | 356 | 300 |
| 2008/09 | 562 | 350 | 160.57 | 568 | 300 |
| 2009/10 | 180 | 350 | 51.43 | 398 | 300 |
| 2010/11 | 132 | 350 | 37.71 | 180 | 300 |
| 2011/12 | 207 | 350 | 59.14 | 37 | 280 |
| 2012/13 | 206 | 350 | 58.86 | -107 | 280 |
| 2013/14 | 165 | 350 | 47.14 | -292 | 350 |
| 2014/15 | 348 | 350 | 99.43 | -294 | 350 |
| 2015/16 | 293 | 350 | 83.71 | -351 | 350 |
| Total | 4,949 | 5,300 | 93.37 | -351 | 4,910 |

 Table 1: Residential Delivery 2001 to 2016

- 2.6 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.
- 2.7 The third issue relates to the impact of the global recession from 2008. During favourable economic conditions from 2001/02 to 2008/09, the District Council recorded delivery rates that exceeded the requirement. Completions have also risen in the last two years. For next year (2016/17) 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.
- 2.8 A similar situation was highlighted in a neighbouring authority, Dover District Council, by the Planning Inspector considering their Land Allocations Local Plan in 2014. In his report he highlighted that:

"In common with the rest of the country there has been a considerable slowdown in the rate of housing building in the District in recent years essentially because of the economic situation. However the evidence does not indicate a persistent under delivery of housing when economic conditions have been favourable. Consequently it is not considered that a buffer of 20% is justified at the present time."

2.9 In conclusion, the District Council believes that the evidence above indicates that the district has been, on the whole, delivering its targets. The only slowdown was due to the global economic situation of that time. For the above reasons the District Council considers that a 5 per cent buffer should be applied.

Past under-delivery

- 2.10 Planning Inspector Christina Downes concluded in her Appeal Decision in September 2014 that *"It is reasonable to start at the beginning of the Core Strategy period in 2006",* and as such any under-delivery during this period should be included in any calculation for housing requirement.
- 2.11 The council's previous housing delivery rates for the plan period are set out below in Table 2. Overall, this illustrates that in the 10 year period up to 31 March 2016, 2,641 dwellings were delivered in Shepway. This represents a cumulative under-delivery of 859 dwellings. Factoring in the estimate for 2016/17, this leads to an under-delivery of 649 dwellings over an 11 year period:

| Year | Completions | Core Strategy Target | Over/Under Delivery | Cumulative Over/Under Delivery |
|---------|-------------|----------------------------|------------------------|--------------------------------------|
| 2006/07 | 146 | 350 | -204 | -204 |
| 2007/08 | 402 | 350 | 52 | -152 |
| 2008/09 | 562 | 350 | 212 | 60 |
| 2009/10 | 180 | 350 | -170 | -110 |
| 2010/11 | 132 | 350 | -218 | -328 |
| 2011/12 | 207 | 350 | -143 | -471 |
| 2012/13 | 206 | 350 | -144 | -615 |
| 2013/14 | 165 | 350 | -185 | -800 |
| 2014/15 | 348 | 350 | -2 | -802 |
| 2015/16 | 293 | 350 | -57 | -859 |
| 2016/17 | 560 | 350 | 210 | -649 |
| TOTAL | 3,201 | 3,850 | | |

Table 2: Housing Delivery 2006-2016

2.9 The figure of 560 dwellings delivered during 2016/17 has been derived from the Housing Information Audit, which highlighted that just over 700 dwellings were under construction at the time of the audit (summer 2016), 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.

3. Calculating the Five Year Housing Requirement

3.1 In calculating five year housing requirement for Shepway, consideration needs to be given to the approach taken to the under-delivery. In effect, there are two approaches recognised nationally – the 'Liverpool' method and the 'Sedgefield' method. These are explained briefly below:

The Sedgefield Method: fully including past under delivery within the five year supply requirement, incorporating buffers etc. This clearly addresses the wording and sentiments of national policy and its recent interpretation, wholly meeting under-delivery within the five years.

The Liverpool Method: the residual requirement (total number of homes left to build taking into account delivery rates) is divided by the number of years remaining in the plan period. This produces an annual residual average amount to factor in the five year supply. This approach is commonplace many parts of the country.

3.2 The Appeal Decision (APP/L2250/A/13/2210752) and subsequent High Court judgment (CO/4792/2014) both provide a useful steer in addressing which method should be used. The conclusion reached by the Planning Inspector (and supported at the High Court) was that:

"The fact that the CS has been found sound so recently, and that the Liverpool approach was integral to the requirement on which it was based, is a matter of considerable weight ... In relation to the methodology to be applied in dealing with a shortfall, there is no prescription as to approach. It would not be in the interests of good planning or consistency to cast doubt on the CS Inspector's judgement. I note that a similar conclusion was reached by the Inspector who recently determined the planning application for housing development at Blaby in Leicestershire."

- 3.3 As such, the clear steer from the above recent scrutiny is that any shortfall should be spread over the remaining Core Strategy period (Liverpool Method to be employed rather than the Sedgefield Method).
- 3.4 The table below (Table 2) illustrates the Liverpool method:

Method B – LiverpoolStage 1B. Calculating the total plan residual, towards which the five yearsupply makes its proportionate contribution: $(25 \times 350) - 146 - 402 - 562 - 180 - 132 - 207 - 206 - 165 - 348 - 293 - 560$ = 5,5492B. Adding in additional buffer, required in national policy:5,549 + 5 per cent = 5,8263B. Establishing the annual residual (including buffer) element required:5,826 / 14 = 4164B. Deriving the requirement with buffered residual given the five yearperiod:416 x 5 = 2,081Total requirement: 2,081

Table 2: Liverpool Method

4. Addressing the Housing Requirement

4.1 Sources of supply can be categorised as follows:

a) Sites with a residential allocation. This includes sites allocated in the adopted Core Strategy Local Plan 2013 and Local Plan Review 2006 that have been assessed to be delivered within five years. Allocated sites that have been granted planning permission are counted under (b) below.

Land at Ingles Manor and Land at Folkestone Garden Centre Castle Hill Avenue Folkestone, is an outstanding allocation in the 2006 plan. This has an outline planning permission which has now lapsed. The first phase of the site, under a full application, has, however, now been completed.

b) Sites with planning permission. Large applications (over 5 dwellings) identified in the 2015/16 Housing Information Audit (HIA) (base date end of March 2016) and granted up to 30 November 2016 have been included. In addition small sites phased in the HIA for the first two years have been identified. A few large sites with a resolution to grant have also been included.

c) Windfall sites. National policy allows recognition (paragraph 48), where appropriate, of an allowance in the five year supply for 'windfall' sites – those locations that are not specified as they are not identified in plan making. In line with the Core Strategy, within the five year supply, 2 years' of windfall allowance has been included (for 2020/21 and 2021/22) totalling 150 units (75 per annum). (Although the Core Strategy makes a provision for windfalls from the year 2018/19, only two years' of windfall allowance have been included

within the five year supply to avoid any double-counting with sites already with permission.)

- 4.2 The District Council has not included sites identified in the emerging Places and Policies Local Plan this year. The Preferred Options draft Plan was published for consultation in 2016 and the next version, the Submission draft, will be published later this year. These allocations may be included in the next year's figure if they are judged to be deliverable within the next five year period, as they would have been through the majority of the plan-making process and afforded greater weight at that time.
- 4.3 The District Council will also be considering other sources of supply in the future following proposed changes to the planning legislation by the Government. Such sources could include a 'Brownfield Land Register' or other sites that meet the criteria for sites with 'Permission in Principle'.
- 4.4 The sites for the housing land supply are set out in Appendix 1. Table 3 below sets out the breakdown of the various categories:

| Source of Land Supply | Dwellings |
|--|-----------|
| a) Sites with a residential allocation (2 sites) | 76 |
| b) Large sites with/pending planning permission (63 sites) | 2,557 |
| Small sites with planning permission (2015/2016 HIA) | 173 |
| Sub-total | 2,806 |
| c) Windfall allowance (75pa over three years) | 150 |
| GRAND TOTAL | 2,956 |

Table 3: Source of Land Supply

This shows a deliverable supply of 2,956 dwellings (including windfalls) over the forthcoming five year period. Based on the calculations set out under paragraph 3.4, this supply equates to:

(2,956 / 2,081) x 5 = 7.1 years' supply (142 per cent of requirement)

(Liverpool Method)

4.5 This increase over last year's figures can be attributed to new additional dwellings of which just over 370 can be attributed to new large planning applications granted in 2016 after HIA base date in March (Appendix 1 below).

Appendix 1: Schedule of Five Year Supply Sites

| Locations | Years | | | | |
|-----------|-------|-------|-------|-------|-------|
| | 17/18 | 18/19 | 19/20 | 20/21 | 21/22 |

Allocated sites without planning permission (net gain)

| | | GRAND | TOTAL | 76 |
|--|--|-------|-------|----|
| Annual Totals | | 10 | 40 | 26 |
| Centre Castle Hill Avenue Folkestone Kent | | | 20 | 26 |
| Land At Ingles Manor And Land At Folkestone Garden | | | | |
| Gas Works Site, Ship Street, Folkestone | | 10 | 20 | |

HIA 2015/16 (with planning permission) sites with five or more dwellings (net gain)

| Shorncliffe Garrison, Folkestone | 114 | 73 | 88 | 73 | 54 |
|---|-----|----|----|----|----|
| Folkestone Harbour And Seafront, Folkestone | 41 | 17 | 36 | 28 | 30 |
| Land Rear Church and Dwight, Caesars Way, Folkestone, Kent | | 25 | 25 | 27 | |
| 58 - 60 and 62 Shorncliffe Road Folkestone | 20 | 22 | | | |
| 1 Dover Road, Folkestone | 10 | | | | |
| Land Rear 18 – 20 Radnor Park Avenue, Folkestone | 13 | | | | |
| Folkestone Primary Academy, Park Farm Road, Folkestone | 35 | 14 | | | |
| Westbrook House 50 - 56 Shorncliffe Road And Adjoining School Playing Field, Folkestone (C3) | 30 | 93 | | | |
| The Leas Club, The Leas, Folkestone | 8 | 30 | 30 | | |
| Stoneleigh House, Tram Road, Folkestone | | | 14 | | |
| Shakespeare Centre, 145 - 147 Sandgate Road, Folkestone | 6 | | | | |
| Monument House, The Leas, Folkestone | | | | 17 | |
| 5 Trinity Crescent, Folkestone | 5 | | | | |
| 116 Cheriton Road, Folkestone | 9 | | | | |
| Folkestone Constitutional Club, 43-45 Guildhall Street, Folkestone | 8 | | | | |
| 12 Jointon Road Folkestone | 8 | | | | |
| 11 Tontine Street, Folkestone | 4 | | | | |
| 12-14 Princess Street Folkestone | | 8 | | | |
| 9 - 11 Risborough Lane Folkestone | | 6 | | | |
| 52 - 54 Guildhall Street, Folkestone | 14 | | | | |
| Land Adjoining 43A, Black Bull Road, Folkestone | 7 | | | | |

| The Grand, The Leas, Folkestone, | | 2 | | | |
|--|-----|-----|-------|-------|-------|
| Meyrick Court, 8 Trinity Crescent, Folkestone | 5 | | | | |
| 5 Trinity Crescent, Folkestone | 5 | | | | |
| 23-25 Tontine Street, Folkestone | | 5 | | | |
| Land at Hurricane Way, Hawkinge | 21 | 25 | 30 | 30 | |
| Plot 1, Hurricane Way, Hawkinge | 47 | | | | |
| Land At Hurricane Way Hawkinge | | 21 | | | |
| The Paddocks, 13 Prospect Road, Hythe | | 9 | | | |
| Hotel Imperial, Princes Parade, Hythe | 26 | 16 | | | |
| Nickolls Quarry, Dymchurch Road, Hythe | 60 | 60 | 60 | 60 | 60 |
| 10 Marine Parade, Hythe | 4 | | | | |
| 19 Seabrook Road, Hythe | 5 | | | | |
| Sellindge Broad Location | 50 | 50 | 50 | 50 | 50 |
| Land rear 27, Victoria Road, Littlestone | 8 | | | | |
| Land Adjoining 143 Queens Road, Littlestone | | | 18 | | |
| Land Adjoining End House, Grand Parade, Littlestone | | 11 | | | |
| Littlestone Road, Littlestone | | 11 | | | |
| Land Adjoining Fairlight Terrace, Lydd Road, New Romney | | 21 | | | |
| Land adjoining 1 Westview Cottages, Lydd Road, New Romney | 15 | | | | |
| Land Adjoining Greenacres (Romney Marsh Potato Co Ltd), Cockreed Lane, New Romney | 26 | | | | |
| 124 Sandgate High Street, Sandgate, Folkestone | | 5 | | | |
| Former St Mary's Bay Holiday Village, Dunstall Lane, St Mary's Bay | 24 | 24 | 24 | | |
| Annual Totals | 628 | 548 | 375 | 285 | 194 |
| | | 1 | GRAND | TOTAL | 2,030 |

Applications with five or more dwellings granted since the HIA 2015/16 (net gain)

| Land Adjoining Sir John Moore Barracks, Military Road, Sandgate | 6 | | | |
|--|----|----|--|--|
| Land Adjoining Pumping Station, Dymchurch Road, St Mary's Bay | 45 | 40 | | |
| East Station Goods Yard, Southern Way, Folkestone | 21 | 20 | | |
| Harbour Community Church, Harvey Street, Folkestone | 5 | | | |

| Mill Farm, Mill Lane, Hawkinge | 14 | | | | |
|--|-----|-----|-------|-------|-----|
| 69 Seabrook Road, Hythe | 9 | | | | |
| Two Bells Inn, 58 Canterbury Road, Folkestone | 12 | | | | |
| Shepway Resource Centre, Military Road, Folkestone | 35 | 6 | | | |
| Hawkinge Youth Adventure Centre, Elvington Lane, Hawkinge | 20 | 30 | 26 | | |
| Land Adjoining Park Farm Cottage, Park Farm Road, Folkestone (residual of phases) | | | 46 | | |
| Stonegate Farmers, Stone Street, Stelling Minnis | 15 | 15 | | | |
| Land Adjacent Herne Court, Horn Street, Folkestone | 6 | | | | |
| Annual Totals | 188 | 111 | 72 | 0 | 0 |
| | | | GRAND | TOTAL | 371 |

Applications pending permission (net gain)

| Annual Totals | 0 | 16 | 50 | 60 | 30 |
|---|---|----|----|----|----|
| Land Bounded By Cockreed Lane And Rolfe Lane (also Known as Land Opposite Dorland) Cockreed Lane New Romney | | | 15 | 30 | 30 |
| Land Adjoining Hope All Saints Garden Centre Ashford Road New Romney | | | 15 | 30 | |
| Royal Hospital, Radnor Park Avenue, Folkestone | | 16 | 20 | | |

HIA 2015/16 (with planning permission) sites with less than five dwellings (net gain)

| Various | 141 | 32 | 0 | 0 | |
|-------------|-----|----|---|---|-----|
| GRAND TOTAL | | | | | 173 |

| TOTALS (Not including windfalls) | 957 | 707 | 507 | 385 | 250 |
|----------------------------------|-------|-----|-----|-----|-----|
| WINDFALLS | | | | 75 | 75 |
| TOTALS (Including windfalls) | 957 | 707 | 507 | 460 | 325 |
| TOTAL | 2,956 | | | | |