

Shepway Core Strategy Local Plan

*Modifications 2012 Technical Note: Windfalls,
Housing Supply & Policy Update*

September 2012



Folkestone

Hythe & Romney Marsh
Shepway District Council



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1. Introduction

- 1.1 This document is evidence supporting modifications put forward by Shepway District Council to its Core Strategy Local Plan [G15] in October 2012. The modifications are considered necessary by Shepway District Council to ensure the 'soundness' of the Core Strategy in light of both recent changes to national planning policy, and the Planning Inspector's 'Interim Conclusions' dated 18th May 2012¹ (which followed Examination in Public hearing sessions in May 2012).
- 1.2 The following content explores trends in Shepway housing provision by its various sources, and the relevance of unidentified residential development sites. This is set in the context of removing one potential strategic site from the published Core Strategy, and demonstrating how the overall housing supply requirements of the Core Strategy can still be met.
- 1.3 This document refreshes parts of the existing evidence base, namely the Strategic Housing Land Availability Assessment Update [A1] and the five year supply of deliverable housing sites contained within the Annual Monitoring Report [AM1]. It also notes the associated plan implications of modifying the proposed Core Strategy housing sources.
- 1.4 The content has been examined by Kent County Council Business Intelligence: Research and Evaluation who have confirmed the validity of the evidence used to underpin the conclusions reached.
- 1.5 Reference numbers in square brackets refer to the Core Strategy Examination Schedule of Documents (V11)².

¹ See (Deprecated)

² See (Deprecated)

2. The National Planning Policy Framework, March 2012

2.1 The government's new planning policy document, the National Planning Policy Framework (NPPF) was published in its final form in March 2012, *after* the submission of the Core Strategy, but before the first hearing day. Annex 3 of the NPPF confirms the deletion of Planning Policy Statement 3: Housing [PP4].

2.2 Section 6 of the NPPF [G11a] sets out requirements for "Delivering a wide choice of high quality homes". Paragraph 47 requires local plans to be based on evidence to fully meet needs for market / affordable housing (including identifying key sites critical to the housing strategy over the plan period), local planning authorities to maintain a supply of five years worth of specific deliverable sites (with an additional buffer) and for authorities to identify a supply of specific, developable sites or broad locations for growth for years 6-10 and, where possible, for years 11-15; and for density to reflect local circumstances.

2.3 The next paragraph states:

"Local planning authorities may make an allowance for windfall sites in the five-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 having regard to the Strategic Housing Land Availability Assessment, historic windfall delivery rates and expected future trends, and should not include residential gardens."

NPPF paragraph 48

2.4 "Windfalls" are defined in the NPPF Glossary:

"Sites which have not been specifically identified as available in the Local Plan process. They normally compromise previously developed sites that have become unexpectedly available."

NPPF Annex 2

2.5 The core of this ("not been specifically identified") essentially reflects a continuity of definition (although the NPPF adds the caveat "normally" in relation to previously developed land). National policy previously - for instance Planning Policy Statement 3: Housing³ - gave examples within the definition. These recognised windfalls could be

³ Ibid.

small (converting upper floor shop space to a flat, for instance) or large sites (a factory closure, for instance).

2.6 In preparing plans, the process of researching and identifying sites and their availability changed significantly with the introduction of Strategic Housing Land Availability Assessments (SHLAAs) from 2006 when Planning Policy Statement 3 was issued. This may have implications for the classifications of housing sites, and trends used to project forward the contribution of non-identified residential development sites.

2.7 The national policy approach to incorporating windfalls within plans for housing supply has varied. The prospect of allowing for windfalls in the NPPF, subject to “compelling evidence”, contrasts with the previous (post 2006) policy⁴ which was more stringent, particularly in relation to the first 10 years of supply. The Shepway Core Strategy was drafted on this basis with no intention in the July 2011 submission version of relying on windfall sources at all in the housing supply trajectory.

2.8 The NPPF position on windfalls is significant. It reflects an about turn in national policy that had influenced the Shepway Core Strategy, and a policy change that had not been at all suggested in any way in the draft NPPF of July 2011. Nevertheless, the test for plans is their compliance with national policy.

2.9 National guidance⁵ exists on housing land evidence that is still relevant (to the extent in accords with NPPF provisions):

“Where a windfall allowance can be justified, this should be based on an estimate of the amount of housing that could be delivered in the area on land that has not been identified in the list of deliverable / developable sites, or as part of broad locations for housing development.”

SHLAA Practice Guidance paragraph 51

2.10 The Shepway SHLAA outputs are the district’s list of deliverable and developable sites⁶ (and it recognises land that may contribute towards the broad locations proposed

⁴ However the policy prior to that set out that an allowance should be made for windfall type sources of supply, apart from greenfield land: Department of the Environment, Transport and the Regions (2000) Planning Policy Guidance 3: Housing [PP4] Ibid

⁵ Department for Communities and Local Government (2007) Strategic Housing Land Availability Assessments Practice Guidance [S9]

⁶ No new sites have featured in 5 year supply figures in AMRs other than those within the published 2011 SHLAA Update [A1].

in the Core Strategy) and this will therefore be key evidence. The national SHLAA Guidance [S9] paragraph 51 also suggests estimates should be informed by views on what will happen to the rate of windfall delivery with regard to the pattern of development and market conditions. The Guidance has yet to be replaced but should be considered secondary to provisions in the NPPF.

2.11 In summary, the Core Strategy was submitted in January 2012 prior to the release of the NPPF, although the new national policy was considered at the May 2012 Core Strategy hearings. The NPPF radically revised the possible use of windfalls and it is appropriate in light of the Inspector's Interim Conclusions to revisit the potential significance of this source of supply in the district.

3. Housing Delivery – Quantifying ‘Windfalls’

3.1 This chapter chronologically outlines rates of housing delivery from windfall sources and provides subsequent analysis.

Historic Context

3.2 Windfall estimates have typically looked at past performance to inform plan making, in terms of estimating future local sources of housing supply. The NPPF supports past rates of delivery as a starting point for calculations. Nevertheless due to changes in policy, evidence base research, and monitoring responsibilities, previous information is not necessarily always directly comparable. Historical data has to be set in context and its future applicability reviewed before projecting the future significance of windfall sites.

3.3 Information on the aggregate level and overall distribution of windfalls is available for the period 1996/7- 2000/1:

“In Shepway, windfall sites have made a significant contribution to the land supply... a total of 621 dwellings were completed on windfall sites (both large and small unidentified previously developed sites) and almost half of these were in Folkestone and Hythe”

Shepway District Local Plan Review (2006) paragraph 3.13

This totals a (mean) average of **124** windfalls delivered per annum.⁷

3.4 More recent documentation⁸ (from the end of the last decade) forming part of the Core Strategy evidence base, considered sources of housing delivery in Shepway between 2001/2-2007/8. It found ‘windfalls’ to range from 130 to 323 (mean **207**) per annum⁹. This data was derived from County Council classifications of windfall housing sites.

⁷ Moreover, it has been documented that of the 621, 144 were from residential conversions: Shepway District Council (2003) Public Local Inquiry Housing Land Supply – Topic Report [A119]

⁸ Shepway District Council (2009) Shepway LDF Core Strategy Preferred Options: Housing Supply Options Risk Evaluation Note [C3].

⁹ Median 184. Or, as proportions of housing delivery, between 33 and 86% of supply, with a median of 50% of supply. The last two years are within the current plan period and are also included in the analysis in the following sub-section.

3.5 The Shepway District Local Plan Review (2006) states at paragraph 3.14 the future windfall estimate totals 900 dwellings. This equals an expected windfall allowance of 90 dwellings per annum. This followed the findings of the Planning Inspector, who had stated¹⁰ “I consider that the council has taken a sufficiently rigorous approach to the estimation of windfalls.”

3.6 The Local Plan’s allowance for a windfall rate of 90 proved less than the rate of windfall delivery for the most of its plan period period. One possible contributory reason could have been sustained economic growth in this period and relatively high levels of total housing delivery.

Overview of delivery:

3.7 The above evidence generally flows from the categorisation of windfall development as sites that were not identified in terms of the plan i.e. non-allocated land. However with changes in national practices of assessing and planning residential land, the current situation may suggest a more detailed process is required to support a new windfall projection. This, alongside shifts in government policy, is believed to be one reason why there has not been any recent ongoing monitoring of windfalls (the County Council data series has been discontinued).

3.8 Primary research has been undertaken by Shepway District Council in 2012 on housing supply in the Core Strategy / South East Plan period. This is summarised below:

Table 1: windfall delivery compared to dwelling completions since 2006/7

Year	Identification	Total units	Windfall units	Windfalls as % of total units	Av windfalls (mean) over 3 yrs
2006/07	Sites not allocated in the 2006 Local Plan	146	116	79%	245
2007/08		394	302	77%	
2008/09		562	317	56%	
2009/10	Sites not in	180	53	29%	

¹⁰ Inspector’s Report (2004) Shepway District Local Plan Review [E6].

¹¹ For the first 2 years: Shepway District Council (2010) SHLAA Consolidated Document [A2]; for the last year Shepway District Council (2011) SHLAA Update [A1].

2010/11	the SHLAA ¹¹ (and not allocated)	132	67	51%	68
2011/12		207	84	41%	
Averages			Mean = 156.5	Median = 53.5%	

3.9 This table shows that the overall level of housing supply from land identified as a windfall has varied considerably in the past six years. Headline windfall delivery has often been of the order of 50-100 or more dwellings per year. As a proportion of total supply, it has regularly been a substantial part of housing delivery.

3.10 However there is an evident contrast between the first half of the period and the latter, which is attributable to two factors. Firstly, macroeconomic conditions worsened before the end of the decade, with the decline in delivering housing sites as a whole having apparently significant implications for windfall rates. Secondly, the identification of windfalls in the last half of the period is more focused as the Shepway SHLAA is available to use. The impact of this is major, and will continue to be for some years as it means that the pool of pre-identified non-windfall sites is much greater. This comprehensive research can be used rather than the more limited extent of land accorded the status of an allocation within the 2006 Local Plan.

3.11 Table 1 suggests the recent trend has been for windfalls to be in excess, sometimes considerably, of 50 units a year. This total would much be less than the rate of delivery found in previous plan periods due to the aforementioned impact of the SHLAA. Although conditions and methodologies vary, it is clear that as an important part of housing delivery, the trend is for the volume of windfalls to be significantly influenced by overall levels of house building in Shepway and nationally. Therefore it is reasonable to expect that as recent rates of total housing delivery have been lower (consistent with elsewhere), there could be scope for uplift in future aggregate windfalls delivery levels as economic recovery increases construction on housing sites in all land sources and locations.

3.12 It is also worthwhile examining additional information on the make-up of past windfalls that may help ensure any allowance accords particularly closely with a modern / tight methodology for projecting forward supply.

Small sites and size-related considerations:

3.13 One significant source of housing in Shepway where previous data can be considered to be still fully relevant is small sites. It is longstanding practice in the district and county for a five dwelling cut off point to be used to define the scale below which lies 'small sites'. These sites are not identified in local plan calculations or allocations and therefore are very likely, even going back several years, to satisfy the test of applicability against the NPPF.

3.14 Past evidence supporting the 2006 Local Plan¹² confirms that total housing supply from sites delivering 1-4 additional dwellings each was between 50-100 units for most years in the 1990s. In the period 2001/2-2007/8 the median was 78 and the mean **83**.

3.15 Concentrating on the years in the South East Plan / Shepway Core Strategy period, windfall delivery sites are shown in the table below:

Table 2: small and large site windfall delivery since 2006/7

Year	Small sites units	Small site units as % of total completions	Larger site windfall totals	Large site windfall average over 3yrs
2006/07	72	49%	44	126
2007/08	106	27%	196	
2008/09	178	32%	139	
2009/10	24	13%	29	19
2010/11	50	38%	17	
2011/12	74	36%	10	
Average	Median = 73 Mean = 84	Median = 34%		

3.16 In this period, the number of dwellings from sites of less than five is typically in the order of approximately **75** dwellings per year. In only one of the six years, did small sites yield less than 50 dwellings. As a proportion of overall supply, small sites on all occasions bar one accounted for at least a quarter of supply, although around one-third may be a more reasonable rule of thumb (in both instances the anomaly was 2009/10

¹² Shepway District Council (2003) Public Local Inquiry Housing Land Supply – Topic Report [A119] op cit

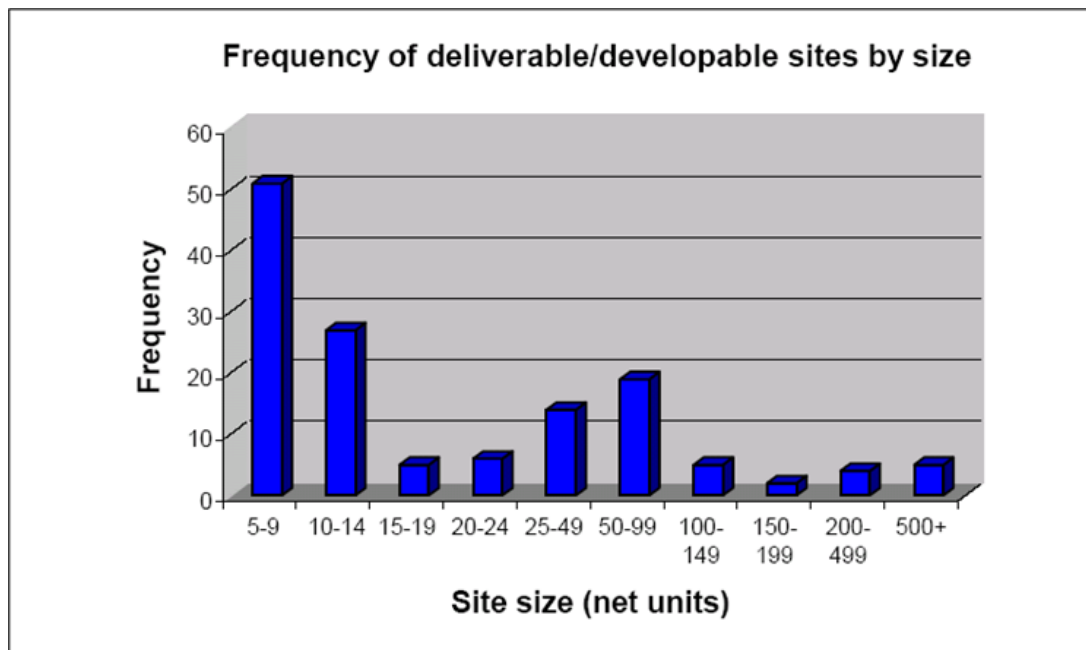
when small sites only contributed 24 out of 180 dwellings). Conversely, large windfall sites fluctuate significantly; comparing the right hand columns of this table with that of the previous one it can be seen whilst they account for around half windfalls in 2006/7 – 2008/9 this falls to less than a third of windfalls in 2009/10 – 2011/12. In the latter half of the period the presence of identified sites in the SHLAA [A2] (or possibly economic conditions) reduces the windfall proportion from non-identified land delivering five units or more.

3.17 Whilst any source cannot be extrapolated indefinitely, small sites are nevertheless highly significant sites in terms of their relative consistency. Shepway in general has arguably been less dependent on national housebuilders – developers with high exposure to nationwide fluctuations in demand – than some places elsewhere in southeast England (with the possible exception of the expanded settlement of Hawkinge). Moreover, small sites would naturally include single dwellings and some residential conversions¹³ which may be less influenced by fluctuations in national conditions.

3.18 In particular, delivery through small sites in the district may reflect the continuing comparative ease of finding this land in Shepway, gaining planning permission rapidly, and financing any infrastructure requirements / the incremental construction of units.

3.19 The majority of deliverable / developable sites identified from the SHLAA [A2] (where a 5 unit and above threshold operates) are anticipated to produce under 15 units each. The overall size prevalence of sites that have been identified is illustrated overleaf, extracted from the SHLAA Update [A1]:

¹³ Conversions may be relatively significant in parts of the district such as West Folkestone due to the predominance of large Victorian residential properties. These may be larger than developments producing five extra dwellings, but are hard to identify individually and therefore whether or not counted as 'small sites' they may prove a relatively important local sources of housing from windfall developments.

Figure 1: frequency of deliverable/developable sites by size

3.20 The trend from this size distribution would suggest that - if sites of 1-4 units for future delivery were individually assessed - many specific small sites (under 5) exist for potential residential development.

3.21 There is a clear history of substantial small site supply in Shepway, and there is no evidence that this will not continue towards the long-term.

Recent disposition of windfalls:

3.22 Primary research has been undertaken to allow the specific form of recent windfalls, including the contribution from larger sites, to be considered. This analysis not only discounts sites that are allocated (and proposed to be) but all other identified sites, by fully accounting for all land within the Shepway SHLAA [A2].

3.23 The source of windfalls is particularly important. The prevalence of small sites is one key determinant of this, but further analysis is required of all windfalls (particularly as the NPPF rejects the inclusion of any windfall element from residential garden land in the five year supply).

Table 3: source of windfall completions by previous Use Class of land

Year	A Class	B Class	C Class (exc. garden)	D Class	Other	Residential garden land
2009/10	20	2	11	1	9	10
2010/11	28	2	17	-	10	10
2011/12	5	13	27	7	12	20
Totals (% share)	53 (26%)	17 (8%)	55 (27%)	8 (4%)	31 (15%)	40 (20%)

N.B. References to Use Class are based on the Use Classes Order 1987 (as amended).

3.24 Table 3 shows the previous land use of delivered windfalls sites in Shepway in the last three years. Residential uses were the most significant individual source, even when garden land is discounted¹⁴. This category would include sub-division of houses and conversion of other residential buildings. The second most significant source is windfalls from shops (A Class).

3.25 In terms of applicability in the future, the results are positive. Recent windfall supply has drawn from a diverse range of sources and is not dependent on a narrow form of development (such as houses on gardens). It draws largely from intensification of residential uses and rationalisation of retail floorspace, which are unlikely to cease in the foreseeable future given economic and demographic shifts. These two sources have however been complemented by other windfall sites.

3.26 It is also appropriate to consider the distribution of housing sites within the district.

Table 4: distribution of windfall sites across Shepway

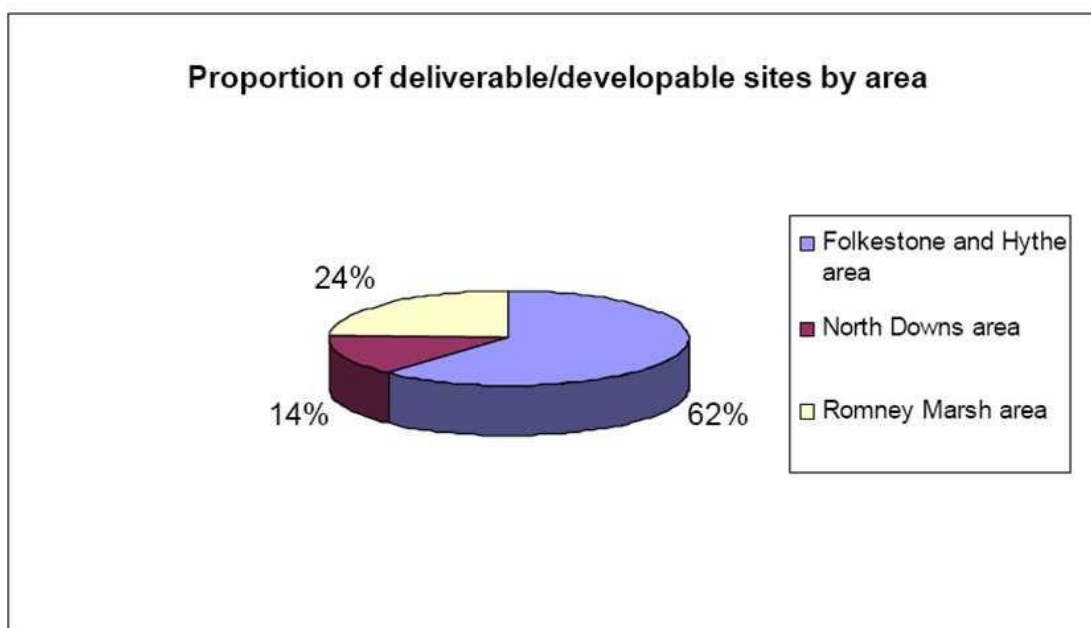
Year	The Urban Area	North Downs Area	Romney Marsh Area
2009/10	47	0	6
2010/11	57	4	6
2011/12	45	14	25
Totals (% share)	149 (73%)	18 (9%)	37 (18%)

¹⁴ The detailed examination of recent windfall sites has not found any significant source of other 'greenfield' windfall sites coming forward (for example qualifying 'rural exception' housing schemes were pre-identified in the SHLAA [A2] and therefore are not windfalls).

3.27 Table 4 shows that windfalls (non SHLAA sites) have recently been heavily concentrated within the Urban Area of Folkestone and Hythe, and much more limited in more rural parts of the district. The 2006 Local Plan [G6] states this is in line with their historic distribution (but if anything the urban focus may have intensified of late).

3.28 Context on overall housing land distribution is gained through referring to the SHLAA Update [A1] findings.

Figure 2: proportion of deliverable/developable sites by area



3.29 This shows deliverable / developable sites of 5 new dwellings or more in Shepway are expected to mostly be in Folkestone / Hythe (the Urban Area). These sites are by definition not going to be windfalls but it does provide support to the trend illustrated by other information sources that Shepway's residential development will continue to be concentrated in this area. This evidence is consistent with the Core Strategy [G15] approach (policy SS1) and reflects the pattern of strategic environmental designations in the district.

3.30 In relation to the split for the remaining deliverable / developable sites, both the recent pattern of windfall delivery (table 4) and the distribution of identified / larger housing sites (figure 2) suggest the Romney Marsh Area could be of somewhat greater

significance than the North Downs Area. The significance of differences in windfall supply between the rural areas may turn out to be not as notable as the figures from these two datasets suggest. Nevertheless, the Romney Marsh Area is larger both in terms of population and area¹⁵.

Conclusion:

3.31 There is compelling evidence that windfall sites have consistently become available in Shepway throughout a variety of economic and planning environments.

3.32 Previous consideration of windfalls backs up this finding. The SHLAA documented, for illustration only, the additional contribution of non-identified sites using an assumption of 80 dwellings per annum¹⁶. This 2012 paper has provided further detail in the context of the NPPF, and its research draws from data over a much longer time period, and includes evidence gathering devoted to the source of windfall sites in recent years.

3.33 There is very solid historic data in relation to small-site supply, which shows these sites have consistently yielded significant sums of at least 50 dwellings a year, although averaged out over years a larger figure of 75+ is more accurate but still potentially slightly conservative (table 2). This data is very relevant to future predictions, as the Shepway SHLAA features no sites under five units as deliverable / developable i.e. small sites will always be additional, and are likely to nearly always satisfy the NPPF windfall definition. Looking forward, there are a variety of further considerations in determining a windfall allowance.

3.34 It is valid to consider larger sites in addition to small sites. Windfall sites of five or more dwellings have provided at least ten dwellings in each of the last six years. However this research has confirmed (table 2) that their significance particularly varies from year to year, and moreover that windfall delivery through sites of five or more dwellings has diminished (proportionately as well as in aggregate) following the identification of sites of this scale by the SHLAA. Larger sites can still emerge

¹⁵ Shepway District Council (2011) Annual Monitoring Report [AM1].

¹⁶ See Shepway District Council (2010) SHLAA Consolidated Document [A2] and Shepway LDF Core Strategy Preferred Options: Housing Supply Risk Evaluation Note [C3].

unexpectedly in Shepway, such as through the classic example of a factory closure on undesignated land. However the likelihood is that SHLAA identification will continue to exert influence and subdue larger windfalls yields although over time more sites may emerge (prior to the next full SHLAA review).

3.35 Analysis of housing land sources that may not now always be counted as windfall sites may however suggest consideration could be given to discounting an element of supply. Available information on garden land shows it has played some role in recent windfall supply in Shepway, providing ten or more units in the last three years. However other sources such as conversions are as a whole much more significant and this category of developments can reasonably be expected to continue providing windfall residential units.

3.36 Taking small site-supply as a robust starting point, and examining the impact of specific reasons for adjusting this upwards (including larger sites) against downwards (such as discounting garden land), it cannot be concluded that there is evidence that the small-site supply must be reduced to determine a windfall allowance. However to produce an assumption erring on the more conservative side, it is not proposed to increase the figure beyond that which may largely be attributed to small site supply.

3.37 The exact windfall estimate will be a judgement on the weight attached to different sources of land or information, and will entail consideration of future uncertainties that may ultimately be subjective. This research has considered a wide range of past, present and future factors, and examined the size, source, and location of windfall sites. It has highlighted the consistency and relevance of the volume of housing supply from small sites; both in terms of past Shepway performance and in terms of their applicability in future given the scope of windfalls set out in the NPPF.

3.38 It is concluded 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.

3.39 Table 5 (below) demonstrates how the requirements of NPPF paragraph 48 have been met.

Table 5: meeting the requirements of NPPF paragraph 48

National criterion	Comment
<i>Sites have consistently become available in the local area and will continue to provide a reliable source of supply realistic having regard to</i>	See paragraphs 3.2 to 3.12 setting out windfall delivery since the start of the Core Strategy plan period to 2011/12, and paragraphs 3.31 to 3.38 justifying the amount of windfall allowance.
<i>the Strategic Housing Land Availability Assessment</i>	See paragraph 3.22 implicitly highlighting the SHLAA as a key evidence base document in identifying non windfall sites. Further SHLAA information is contained within Appendix 2 updating the SHLAA to incorporate the latest available delivery information.
<i>historic windfall delivery rates</i>	See paragraphs 3.2 to 3.12 setting out windfall delivery since the start of the Core Strategy plan period to 2011/12 and taking into consideration delivery rates prior to the adoption of the Shepway District Local Plan Review (2006).
<i>and expected future trends,</i> (SHLAA guidance suggests to include: <ul style="list-style-type: none"> • Pattern of development • Market conditions) 	Recent surveying of housing completions showed a rise in housing delivery in 2011/12 from the previous two years along with a projected rise for 2012/13, with windfall sites fully expected to comprise a significant part of delivery. With the urban focus of the Core Strategy and distribution of the majority of SHLAA sites within the Urban Area, no significant departure from the current pattern of delivery is anticipated.
<i>and should not include residential gardens.</i>	Gardens are not included. Recent delivery from this land has been isolated in the work on historic delivery to inform the derivation of a windfall allowance and nevertheless it has been shown to be relatively insignificant in Shepway.

4. Housing Delivery and ‘Windfalls’ – Effects

4.1 The inclusion of a windfall allowance requires updating the proposed Core Strategy housing supply. However aggregate implications are limited as other sources of supply should also be discounted as part of updating totals.

4.2 The housing policy in the Core Strategy (SS2) is not required to change as a result of these factors. The central requirement remains for the provision of at least 350 dwellings per year in the period 2006/7 – 2030/31 (inclusive). Arguments of demography and need (and regeneration) are still strong. For instance, latest data demonstrates that for both males and females in Shepway 2011, the proportion above 65 in the district is above the county average¹⁷.

4.3 Nevertheless it is desirable that supply data is updated to reflect the most recent information. Factual information is now available on actual delivery in the years up to and including 2011/12. This has allowed housing phasing and the pool of remaining SHLAA sites to be updated as shown in Appendix 2.

4.4 The potential yield from identified SHLAA sites has decreased to 8,469 dwellings (now applicable for 2012/13 – 2030/31 inclusive). This is because a further year's (2011/12) sites have been delivered and are no longer available, compared to the SHLAA Update [A1]. This decrease is only partially offset by the inclusion of new permissions in the year as deliverable sites (Appendix 2).

Factoring in an allowance:

4.5 National policy (NPPF section 6) focuses on planning for a sufficient boost in the supply and choice of housing development, through using robust evidence and with a focus on maintaining a five year supply of deliverable sites with an additional buffer. It is considered windfall delivery can be factored in to long term housing supply, consistent with national policy. The NPPF sets out at paragraph 48 that a windfall

¹⁷ See Appendix 5.

allowance can be made in the five year supply where there is “compelling” evidence such sites have historically become available and will continue to do so¹⁸.

4.6 The logic of national policy’s requirements for a robust housing supply is that windfalls could be a contributory part of long-term housing supply where the local evidence compels this is realistic. As has been detailed in Section 3, the proportion of completions on windfall sites as part of the confirmed housing delivery since the beginning of the plan period, are significant. Therefore it is fully appropriate and logical for them to be considered in long term housing supply projections.

4.7 The SHLAA provides a key source of evidence for this Technical Note and underpins the production of the Core Strategy housing trajectory. Appendix 3 illustrates how Shepway has a five year supply of deliverable housing sites, as well as meeting the ‘buffer’ requirements of NPPF paragraph 47. Therefore there is currently no need to make an allowance for windfall delivery within the five year supply period although paragraph 48 of the NPPF does give local planning authorities flexibility to do so.

4.8 As a non specific source of housing delivery, it is proposed to apply the windfall allowance after the five year supply period. The windfall allowance has therefore been applied conservatively, to a limited part of the plan period (13 years), forming a small proportion (approximately 11%) of the housing land supply required to deliver the target within policy SS2.

4.9 The current situation is usefully summarised by providing an update to table 4.2 of the Shepway Core Strategy [G15].

¹⁸ The NPPF also requires developable housing land provision should also be made for following (10) years, although there is no particular specification that sites must be “deliverable” (paragraph 47; 3rd bullet point). The NPPF does not preclude a windfall allowance in long term supply.

Table 6: dwelling contribution by source to meet the minimum housing requirement

Source	Contribution (net dwellings)¹⁹
1. Delivered 2006/7 – 2011/12 inclusive	1,600
2. Delivery through two proposed strategic sites in the Core Strategy and saved deliverable/ developable Local Plan 2006 allocations	3,300
3. Windfall allowance: 75 dwellings per annum 2018/19 – 2030/31 inclusive	1,000
4. Delivery (minimum) through further allocations and permissions in line with the Core Strategy	> 2,900
Total 2006/7 – 2030/31 (minimum)	> 8,800

N.B. Figures in this table are rounded to the nearest hundred.

4.10 The overall impact on housing supply is limited and there are no implications for meeting the Core Strategy policy requirements set out in policy SS2. This is partly because the Core Strategy housing supply has now been remodelled to exclude any housing on the Folkestone Racecourse site (SHLAA ref. 204) along with other previously rejected major strategic options from SHLAA sites. This reduction of 800 is more than offset by the long term contribution of windfalls. The net implication on the housing trajectory is that the 8,750 requirement as a minimum (25 years x 350) is met some two years earlier in the plan period than before.

¹⁹ A detailed breakdown can be found at Appendix 4 which shows the total expected amount from all deliverable / developable SHLAA sites and not just the minimum amount to be allocated to meet the housing requirement (row 4 of table 6).

FINAL CONCLUSIONS:

This Technical Note has been produced in light of the modifications put forward by Shepway District Council in response to the 'Interim Conclusions' of the Planning Inspector and the Examination in Public into the Local Plan Core Strategy. It also takes the opportunity to update all relevant information with regard to housing land supply to demonstrate consistency with the NPPF. It is therefore concluded:

- The delivery of a minimum of 350 dwellings per annum under policy SS2 remains achievable and meets the provisions contained within paragraph 47 of the NPPF;
- The SHLAA provides the foundation for the identification of housing land with the potential to deliver the policy SS2 target;
- Windfall sites (small and large) have historically made a notable contribution to housing completions and are worthy of recognition in future estimates of housing land supply consistent with paragraph 48 of the NPPF;
- An annual windfall allowance of 75 dwellings per year is significantly less than historic rates of delivery from this land source, but there is robust evidence backing up this volume of dwellings as a future allowance;
- Windfall sites are however only *one* component of housing land supply and strategic sites underpin housing delivery until 2031;
- There are no significant implications identified for housing delivery rates or distribution across the three character areas of the 2012 modifications put forward to consultation, although the exclusion of Folkestone Racecourse and inclusion of a windfall allowance means housing delivery in the North Downs area is reduced with proportionately higher delivery in the Urban Area; and
- Housing completion rates have improved in 2011/12 and on site surveying indicates there are sufficient identified sites in commencement/delivery to support the belief that further improvement will be seen in 2012/13.

Appendix 1: Windfall Calculations

Source: HIA 2012 return for the 2011/2012 year
Net dwelling gain: 207

Completions identified from the SHLAA (site references contained in brackets):

Hotel Imperial (171):	23
106-108 Risborough Lane (504):	5
1 Radnor Park Road and 2, 4, 6, 8 Radnor Park Ave (108):	7
White Lodge and Clewer House (339):	7
Land opposite 57-73 Enbrook Valley (118):	18
St Leonard's School (459)	22
Seven Seas, West Parade (147)	7
Henbury Manor (7)	6
Land adjoining Craythornes (225)	10
D E D Ltd, Mill Rd, Lydd (194)	4
Land adjoining Swingfield House (506)	6
111-113 Dover Road (505)	8

TOTAL NON WINDFALLS **123**

Residual (WINDFALL) **84 [41%]**

Comprising:

1-4 dwellings 46 sites			5+ dwellings 1 site		
Urban Area	North Downs	Romney Marsh	Urban Area	North Downs	Romney Marsh
24 (35 units)	7 (14 units)	15 (25 units)	1 (10 units)	-	-

Source: HIA 2011 return for the 2010/2011 year
Net dwelling gain: 132

Completions identified from the SHLAA (site references contained in brackets):

32-34 Canterbury Road (474):	2
31 Risborough Lane (493):	4
52 Broadmead Road (473):	5
14-15 Marine Parade (486):	14
20 Marten Road (72/492):	6
Peene Farm (495):	5
39 Risborough Lane (97):	10
Enbrook Valley (117/118):	8
St Leonard's School (459):	11

TOTAL NON WINDFALLS **65**

Residual (WINDFALL) **67 [51%]**

Comprising:

1-4 dwellings 32 sites			5+ dwellings 2 sites		
Urban Area	North Downs	Romney Marsh	Urban Area	North Downs	Romney Marsh
22 (40 units)	4 (4 units)	6 (6 units)	2 (17 units)	-	-

Source: HIA 2010 return for the 2009/2010 year
Net dwelling gain: 180

Completions identified from the SHLAA (site references contained in brackets):

Barnhurst Lane (489)	37
Enbrook Valley (117/118)	26
Westbourne House (76)	13
2 Castle Hill Avenue 26 Bouverie Road West (496)	5
Martello Hotel (41)	5
3 Radnor Park (480)	4

Gas Works (Local Plan HO2B)	37
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TOTAL NON WINDFALLS	127
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Residual (<u>WINDFALL</u>)	<u>53</u> [29%]
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Comprising:

1-4 dwellings 41 sites			5+ dwellings 3 sites		
Urban Area	North Downs	Romney Marsh	Urban Area	North Downs	Romney Marsh
32 (18 units)	-	9 (6 units)	3 (29 units)	-	-

Source of windfalls – 1-4 dwellings

Year	Use Class					
	A	B	C (exc Garden land)	D	Other	Garden Land
2009/10	2	2	-	1	9	10
2010/11	11	2	17	-	10	10
2011/12	5	13	17	7	12	20

Source of windfalls – 5+ dwellings

Year	Use Class					
	A	B	C (exc Garden land)	D	Other	Garden Land
2009/10	18	-	11	-	-	-
2010/11	17	-	-	-	-	-
2011/12	-	-	10	-	-	-

Appendix 2: Updating the SHLAA 2011/12

Summary of the outputs following an update to the SHLAA 2011/12 [A1]:

- 136 sites found to be deliverable/developable i.e. suitable and available and achievable from the start of the year 2012/2013. Further analysis shows the majority of these can be considered as already 'in the planning process'.
- These deliverable/developable sites are calculated as holding the potential to yield 8,469 dwellings in 2012/13 – 2030/31 (inclusive). This does not include any 'windfall' types of supply or sites producing under five dwellings (net).

Capacity updates:

SHLAA Ref.	Site	Ward	Application Ref.	Capacity
53	VICTORIA MEWS, CHRIST CHURCH ROAD, FOLKESTONE	Folkestone Harvey Central (FHC)	Y12/0260/SH*	14 (previous estimate was 5)
512 (new site)	THE MOREHALL, 284 CHERITON ROAD, FOLKESTONE	Folkestone Morehall (FM)	Y11/0373/SH	8
513 (new site)	JAPONICA COTTAGE, PARK STREET, LYDD, ROMNEY MARSH	Lydd (LYD)	Y09/0765/SH	8
514 (new site)	DAIRY CREST, STANLEY ROAD, FOLKESTONE	Folkestone Cheriton (FC)	Y11/1148/SH	14
515 (new site)	B E AMES LTD, RHEE WALL, BREZZETT, ROMNEY MARSH	Romney Marsh (RM)	Y11/0993/SH	6
516 (new site)	MONUMENT HOUSE, THE LEAS, FOLKESTONE	Folkestone Harvey Central (FHC)	Y11/0334/SH*	12
517 (new site)	LAWRENCE HOUSE, 15 ST MARKS CLOSE, FOLKESTONE	Folkestone Cheriton (FC)	Y11/1156/SH*	25
518 (new site)	LAND ADJOINING WEST WEDGE, SANDGATE ESPLANADE, SANDGATE	Folkestone Sandgate (FS)	Y11/0537/SH*	10

* In accordance with previous practice, applications with a resolution to grant permission are included.

No other sites have been newly included or total capacity changed. The extent of sites can be derived by accessing information on the UK Planning website using the application reference. Some original SHLAA sites are no longer featured below as they have been developed.

Phasing updates

Ref	Address	Total	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
0	FORMER ST MARYS BAY HOLIDAY VILLAGE, 31 DUNSTALL LANE, ST MARYS BAY	72		30	30	12															
4	LAND ADJOINING PUMPING STATION, DYMCHURCH ROAD, ST MARYS BAY	20					20														
20	LAND ADJOINING PUMPING STATION, DYMCHURCH ROAD, ST MARYS BAY	14					14														
21	LAND ADJOINING 38, CHERITON HIGH STREET, FOLKESTONE	10				10															
23	LINCOLN HOUSE, WALTON MANOR CLOSE, FOLKESTONE	39	39																		
26	12-14 PRINCESS STREET, FOLKESTONE	8					8														
27A	FORMER FOLKESTONE YOUTH CENTRE, SHEPWAY CLOSE, FOLKESTONE	12						12													
27B	FORMER FOLKESTONE YOUTH CENTRE, SHEPWAY CLOSE, FOLKESTONE (OPEN SPACE)	18						18													
32	TWO BELLS INN, 58 CANTERBURY ROAD, FOLKESTONE	8								8											
40	FORMER ROTUNDA AMUSEMENT PARK, MARINE PARADE, FOLKESTONE	900			10	20	30	40	50	60	70	80	90	100	100	100	100	50			
45	MARINE PARADE CAR PARK, MARINE PARADE, FOLKESTONE	50							25	25											
46	LAND ADJOINING INGLES MANOR, CASTLE HILL AVENUE, FOLKESTONE	68				34	34														
50	21 TRINITY ROAD, FOLKESTONE	8						8													
51	LAND ADJOINING 3, MILLFIELD, FOLKESTONE	5				5															
52	DANCE EASY STUDIO, 19 THE BAYLE, FOLKESTONE	6			6																
53	VICTORIA MEWS, CHRIST CHURCH ROAD, FOLKESTONE	14			3	11															
58	ALL CRAFTS, VICTORIA GROVE, FOLKESTONE	7		7																	
59	THE LEAS CLUB, THE LEAS, FOLKESTONE	68			34	34															
66	4 CASTLE HILL AVENUE, FOLKESTONE	9				9															

Ref	Address	Total	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
67	8-9 MARINE PARADE, FOLKESTONE	12			12																
77	FORMER ST MARYS WESTBROOK SCHOOL, RAVENLEA ROAD, FOLKESTONE	28		28																	
98	7 BOURNEMOUTH ROAD, FOLKESTONE	6			6																
102	FITNESS WORKS, 18-20 RADNOR PARK AVENUE, FOLKESTONE	20		20																	
103	ROYAL VICTORIA HOSPITAL, RADNOR PARK AVENUE, FOLKESTONE	36				36															
106	4 RADNOR PARK WEST, FOLKESTONE	5					5														
108	2 RADNOR PARK AVENUE, FOLKESTONE	7	7																		
110	LAND ADJOINING 30, SANDGATE HILL, SANDGATE	28					28														
113	LAND ADJOINING 20, ENCOMBE, SANDGATE	36					36														
119	LAND ADJOINING SANDGATE HOUSE, SANDGATE ESPLANADE, SANDGATE	14		14																	
122A	LAND ADJOINING THE FOLKESTONE SCHOOL FOR GIRLS, COOLINGE LANE, FOLKESTONE (S)	25					25														
122B	THE FOLKESTONE SCHOOL FOR GIRLS, COOLINGE LANE, FOLKESTONE (N)	50				25	25														
140	SPRINGFIELD, DENTAL STREET, HYTHE	9			9																
142	HYTHE SWIMMING POOL, SOUTH ROAD, HYTHE	44										44									
144	LAND ADJOINING 9, VICTORIA ROAD, HYTHE	8		8																	
145	LAND REAR 162, HIGH STREET, HYTHE	5			5																
146	102 NORTH ROAD, HYTHE	9			9																
152	SEAPOINT CENTRE, SEABROOK ROAD, HYTHE	14	14																		
153	LAND ADJACENT HOTEL IMPERIAL GOLF CLUB, PRINCES PARADE, HYTHE	150						30	30	30	30	30									
154	BRIARWOOD, 1 BLACKHOUSE HILL, HYTHE	9				9															
155	RECREATION GROUND, EVERSLEY ROAD, HYTHE	5				5															
164	FORMER PRIMARY SCHOOL ADJOINING	13		13																	

Ref	Address	Total	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
	MARIST CONVENT, SEABROOK ROAD, HYTHE																				
169	SEABROOK PRIMARY SCHOOL, SEABROOK ROAD, HYTHE	5					5														
171	HOTEL IMPERIAL, PRINCES PARADE, HYTHE	52	31	21																	
177	NICKOLLS QUARRY, DYMCHURCH ROAD, HYTHE	1050					21	102	177	202	176	166	145	61							
191	PARK STREET CAR PARK, PARK STREET, LYDD	12			12																
195	STATION YARD, STATION ROAD, LYDD	35								20	15										
197	LAND ADJOINING MILLFIELD BUNGALOW, HARDEN ROAD, LYDD	6				6															
204	FOLKESTONE RACECOURSE, STONE STREET, WESTENHANGER	800											70	100	100	100	100	100	100	100	30
209	LAND OPPOSITE OLD MILL COTTAGE, ALDINGTON ROAD, LYMPNE	240						40	40	40	40	40	40								
215	31-35 LITTLESTONE ROAD, LITTLESTONE, NEW ROMNEY	9			9																
223	LAND ADJACENT CHAKLALA, MARINE PARADE, LITTLESTONE	14	14																		
229	WAREHOUSE REAR 76, HIGH STREET, NEW ROMNEY	6		6																	
230	LAND REAR THE OLD SCHOOL HOUSE, CHURCH LANE, NEW ROMNEY	14				14															
232	ALLOTMENT GARDENS, CHURCH LANE, NEW ROMNEY	60			30	30															
239	14 GRAY CLOSE, HAWKINGE, FOLKESTONE	62	15	15	15	17															
240	NAPIER COURT, AERODROME ROAD, HAWKINGE	7	7																		
241	LAND ADJOINING 13, SISKIN CLOSE, HAWKINGE	50	25	25																	
244	HAWKINGE YOUTH ADVENTURE CENTRE, ELVINGTON LANE, HAWKINGE	70					50	20													
286	COACH DEPOT, KING STREET, BREZZETT	11			11																
289A	ROMNEY MARSH POTATO CO LTD, COCKREED LANE, NEW ROMNEY	56							30	26											
299	LAND ADJOINING MOUNTFIELD COTTAGES, WESTFIELD LANE,	6	6																		

Ref	Address	Total	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
	ETCHINGHILL																				
306	LAND ADJOINING UNIT 4, KITEWELL LANE, LYDD	20				20															
309	87 SANDGATE ROAD, FOLKESTONE	7		7																	
312	LAND REAR 27, VICTORIA ROAD, LITTLESTONE	8					8														
313	FOXWOOD & HIGHVEIW SCHOOL, 59 SEABROOK ROAD, HYTHE	90											30	30	30						
314	FOLKESTONE PRIMARY ACADEMY, PARK FARM ROAD, FOLKESTONE	118						38	40	40											
316	LAND OPPOSITE ELLINGTON, COWGATE LANE, HAWKINGE	240														40	40	40	40	40	40
317	LAND REAR BAND PRACTICE ROOM, THE FISHERMANS LANDING BEACH, RANGE ROAD, HYTHE	54			20	34															
322	15 RADNOR CLIFF, FOLKESTONE	5			5																
328	LAND REAR RHODES HOUSE, MAIN ROAD, SELLINDGE	120							30	30	30	30									
334	LAND ADJOINING MILL HOUSE, MILL LANE, HAWKINGE, FOLKESTONE	10			10																
335	LAND ADJOINING HOLME VIEW FARM, GALLOWAYS ROAD, LYDD	12									12										
336	LAND ADJ. 29 SHORNCLIFFE ROAD, FOLKESTONE	5		5																	
339	THE ACERS, FOLKESTONE	7	7																		
342	ROTUNDA CAR PARK, LOWER SANDGATE ROAD, FOLKESTONE	50					25	25													
344	ROYAL NORFOLK HOTEL, 7 SANDGATE HIGH STREET, SANDGATE, FOLKESTONE	5								5											
345	34-36 SHORNCLIFFE ROAD, FOLKESTONE	54			30	24															
346	LAND REAR 10, SHIP STREET, FOLKESTONE	100					50	50													
354	CORE PHASE MOD: RISBOROUGH AND NAPIER BARRACKS, FOLKESTONE	560										5	50	50	50	60	90	100	90	40	25
357	FOLKESTONE WEST VEHICLE STORAGE, THE OLD COAL YARD, SHORNCLIFFE ROAD, FOLKESTONE	10				10															
367	EARLIER PHASE MOD: BURGOYNE	635			19	81	80	80	100	95	100	50	30								

Ref	Address	Total	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
	BARRACKS, SOMERSET HOUSE, ST MARTINS PLAIN, CHERITON COURT RD, LAND BEHIND ROYAL MILITARY AVE, FOLKESTONE																				
370	SEABROOK PUMPING STATION, SEABROOK ROAD, HYTHE	5								5											
373	LAND ADJOINING BRICKYARD POULTRY FARM, COCKREED LANE, NEW ROMNEY	270															70	80	50	50	20
377	KENT REPORTING CENTRE, 7 SHORNCLIFFE ROAD, FOLKESTONE	40					40														
379	LAND WEST OF VICTORIA RD, LITTLESTONE	160															40	30	30	30	30
382	EAST STATION GOODS YARD, SOUTHERN WAY, FOLKESTONE	20								20											
383	LAND ADJOINING 8, BROADFIELD ROAD, FOLKESTONE	149		40	40	35	34														
388	LAND SOUTH WEST OF CANTERBURY RD, HAWKINGE	12					12														
401	LAND ADJOINING 143, QUEENS ROAD, LITTLESTONE	15				15															
403	LAND ADJOINING THE GRIGGS, ASHFORD ROAD, NEW ROMNEY	30												30							
404	LAND REAR WHITE COTTAGE, ELVINGTON LANE, HAWKINGE	85						30	30	25											
405	PLAYING FIELD AJACENT 26, COOLINGE LANE, FOLKESTONE	50						25	25												
407A	LAND ADJOINING SUN VILLA, SALTERS LANE, BROOKLAND	10						10													
408	LAND ADJOINING ELMTREE FARM, MAIN ROAD, SELLINDGE	380											50	50	50	50	50	50	30	30	20
409	LAND OPPOSITE DORLAND, COCKREED LANE, NEW ROMNEY	107											30	30	30	17					
414	TOURNEY HALL, HIGH STREET, LYDD, ROMNEY MARSH	8	8																		
415	LAND ADJOINING HOPE ALL SAINTS GARDEN CENTRE, ASHFORD ROAD, NEW ROMNEY	75									40	35									
416	LAND ADJOINING SEWAGE TREATMENT WORKS, RANGE ROAD, HYTHE	6			6																
424	LAND ADJOINING RIDGEWAYS, HIGH STREET, LYMINGE	8								8											

Ref	Address	Total	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
425C	FOLKESTONE & DOVER WATER SERVICES OFFICES, CHERRY GARDEN LANE, FOLKESTONE	15								15											
430	HOPE ALL SAINTS GARDEN CENTRE, ASHFORD ROAD, NEW ROMNEY	14											14								
431	LAND ADJOINING QUINCE COTTAGE, HIGH STREET, BROOKLAND, ROMNEY MARSH	5					5														
435	LAND ADJOINING AVONLEA, DYMCHURCH ROAD, NEW ROMNEY	10						10													
436	LAND REAR WEST KNOLL, CHURCH ROAD, NEW ROMNEY	9					9														
440	1 & 3 JOINTON ROAD, FOLKESTONE	8				8															
458	HIGHVIEW SCHOOL, MOAT FARM ROAD, FOLKESTONE	50									25	25									
461	LAND REAR CARTER WALLACE, CAESARS WAY, FOLKESTONE	37				37															
464	THE FIRS, FIRS LANE, FOLKESTONE	25			25																
468	LAND ADJOINING 1 WESTVIEW COTTAGES, LYDD ROAD, NEW ROMNEY	15	15																		
470	LAND ADJOINING 9, SALISBURY ROAD, FOLKESTONE	20		20																	
474	34 CANTERBURY ROAD, HAWKINGE, FOLKESTONE	6	6																		
475	LAND ADJOINING 80, TONTINE STREET, FOLKESTONE	14			14																
476	BUILDERS YARD, WINDMILL STREET, HYTHE	5				5															
477	16 HIGH STREET, NEW ROMNEY	6			6																
481	124 SANDGATE HIGH STREET, SANDGATE, FOLKESTONE	5				5															
482	24 HIGH STREET, LYDD, ROMNEY MARSH	14				9	5														
483	102 & 104 SEABROOK ROAD, HYTHE	6								6											
484	LAND ADJOINING TELEPHONE EXCHANGE, BARNHURST LANE, HAWKINGE	5			5																
487	SHAKESPEARE CENTRE, 145-147 SANDGATE ROAD, FOLKESTONE	12					12														
488	11 LITTLESTONE ROAD, LITTLESTONE	11				11															

Ref	Address	Total	12/13	13/14	14/15	15/16	16/17	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	30/31
491	THE HAVEN, WEST PARADE, HYTHE	6		6																	
501	73 BROADMEAD ROAD, FOLKESTONE	8	8																		
502	SQUIRRELS, CANNONGATE ROAD, HYTHE	8		8																	
503	29 RENDEZVOUS STREET, FOLKESTONE	8			8																
506	10-12 ST JOHNS STREET, FOLKESTONE	9				9															
508	BUILDING ADJOINING GRACE CHAPEL, GRACE HILL, FOLKESTONE	14		14																	
509	106 HIGH STREET, LYDD, ROMNEY MARSH	14			14																
510	3-14 DEFIANT CLOSE, HAWKINGE, FOLKESTONE	46	23	23																	
511	40-42 CHERITON ROAD, FOLKESTONE	7			7																
512	THE MOREHALL, 284 CHERITON ROAD, FOLKESTONE	8			8																
513	JAPONICA COTTAGE, PARK STREET, LYDD, ROMNEY MARSH	8		8																	
514	DAIRY CREST, STANLEY ROAD, FOLKESTONE	14		14																	
515	B E AMES LTD, RHEE WALL, BREZZETT, ROMNEY MARSH	6			6																
516	MONUMENT HOUSE, THE LEAS, FOLKESTONE	12			12																
517	LAWRENCE HOUSE, 15 ST MARKS CLOSE, FOLKESTONE	25					25														
518	LAND ADJOINING WEST WEDGE, SANDGATE ESPLANADE, SANDGATE	10				10															
TOTAL		8469	225	332	436	590	606	538	577	652	546	505	549	451	360	367	490	450	340	290	165

N.B. In some instances the site name has been updated to accord with gazetteer information on the new Shepway Geographic Information System (GIS) but reference numbers remain unchanged.

Character area distribution:

Character Area	Deliverable/developable dwellings from the SHLAA	Dwelling contribution to Core Strategy housing requirement ²⁰
Urban	Folkestone: 3,627 Hythe: 1,553	Folkestone: 3,627 Hythe: 1,553
Romney Marsh	1,142	712
North Downs	2,147	727
TOTAL	8,469	6,619

Housing completions from 2006/7 and potential future supply:

Year	Source	Number of dwellings
2006/7	Confirmed delivery in AMRs and Housing Flows Reconciliation (HFR) returns to the DCLG. Totals 1,621 dwellings 2006/7 – 2011/12.	146
2007/8		394
2008/9		562
2009/10		180
2010/11		132
2011/12		207
2012/13 onwards	Drawing from SHLAA pool of sites to 2030/31	8,469
2006/7 – 2030/31	Full plan period – specific identified / delivered sites²¹	10,090

²⁰ Core Strategy supply includes a Shepway windfall allowance of 75 units a year. This is apportioned as follows: Urban area: 49 p.a., North Downs 11 p.a., Romney Marsh 15 p.a. (proportionately this is 65%, 15%, 20% respectively). An assumed breakdown within the district is necessary for detailed modelling purposes and it is considered this suitably reflects the findings in paras 3.26-3.30. Adding this to the distribution of SHLAA sites applicable to the Core Strategy, plus previous patterns of delivery, it results in a projected **total housing supply breakdown in the plan period of Urban Area 74.9%, North Downs 13.4%, Romney Marsh 11.7%**.

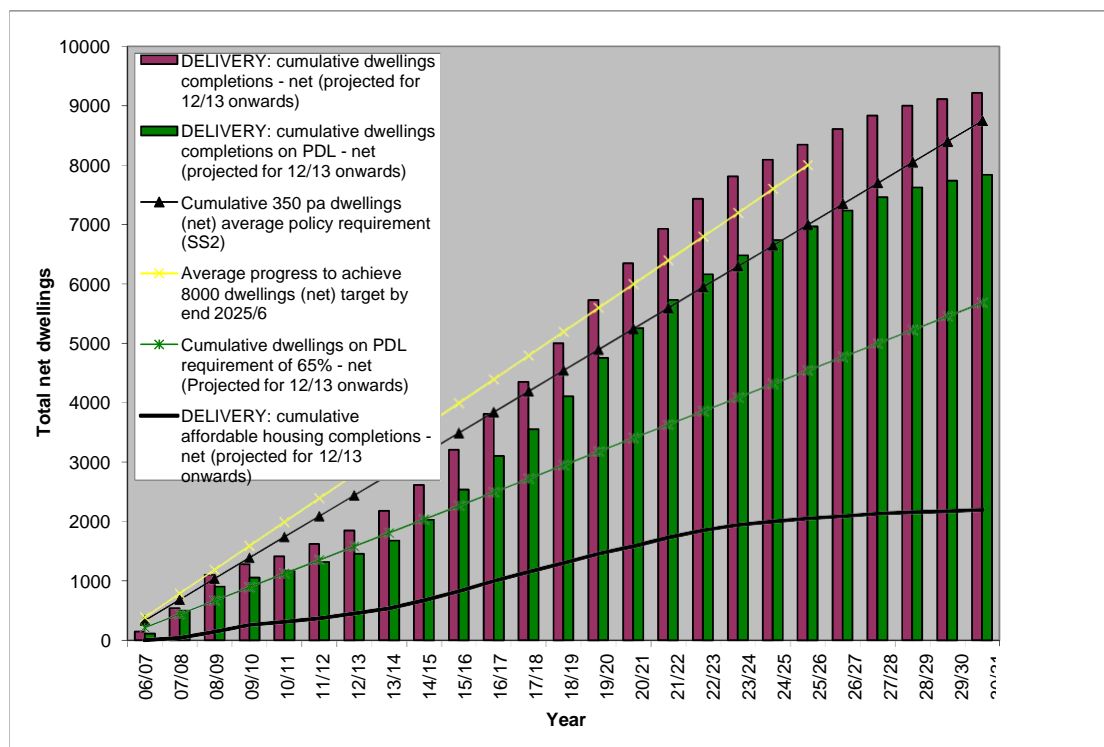
²¹ SHLAA figures do not reflect subsequent policy decisions featured in the Core Strategy housing trajectory i.e. windfall sites or rejected potential strategic sites.

The Local Plan Core Strategy housing trajectory:

The housing trajectory in the Core Strategy (illustrated in the line graph overleaf) is the same as that resulting from the revised SHLAA phasing of deliverable / developable housing sites, but with two adjustments:

1. Large rural greenfield sites that may meet the basic SHLAA criteria but have not been supported at any stage in plan making, have not been included. These are the SHLAA sites reference numbered 316, 373, 379 and 408 which are estimated to equate to a total of 1,050 dwellings; and
2. Folkestone Racecourse (ref. 204) has not been included following its withdrawal in 2012 Modifications from the Local Plan Core Strategy.

Plan period housing supply is therefore 8,469 dwellings less 1,850 (the sum of 1. and 2. above), plus the number of dwellings delivered within the period but previous to this SHLAA update, and the windfall allowance²².



²² It is estimated that 5 of the average 75 windfall units per year will be affordable. This is a modest proportion as many – not all – individual sites will be of a scale where their own contribution to affordable housing is limited.

Appendix 3: five year supply totals 2013/14 – 2017/18

The NPPF requires (paragraph 48) Local Planning Authorities to:

“identify and update annually a supply of specific deliverable¹¹ sites sufficient to provide five years worth of housing against their housing requirements with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, local planning authorities should increase the buffer to 20% (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land;”

Other principles considered best practice, consistent with NPPF and applied in this methodology include the following:

- For the sites supply in five year period to be based on an up-to-date and site-by-site review of the anticipated year of delivery of individual sites. This five year supply does not feature any sites not in the SHLAA/without permission (see Appendix 2);
- For the five year period to be wholly forward looking i.e. not include the current year which is in delivery; and
- For the five year supply requirement to address cumulative performance over the plan period and the extra NPPF buffer in the featured period.

As discussed, NPPF may permit inclusion of five years worth of windfall sites in meeting the requirement (paragraph 48) but this is avoided at this stage.

The five year supply: requirement

Stage	Dwellings	Notes
a. Total requirement in plan period	8,750	At least 350pa. for 2006/7 - 2030/31 inclusive
<i>less</i>		
b. Delivery in the 7 year plan period prior to the forward looking 5 year supply.	1,846 delivered	1,621 confirmed delivery (2006/7 – 2010/11 inclusive) <i>plus</i> projection for current year of 225
<i>equals</i>		
c. Total residual requirement to address in rest of plan (including 5 year period)	6,904 residual	An 18 year (2012/13 – 2017/18) residual (a-b)
d. Average residual requirement	383.6p.a.	Averaging (c) over 18 years
e. Gross requirement	1,918	Multiplying

in 5 years		average residual (d) by 5 years
f. Final 5 year requirement with buffer 2013/14 – 2017-18	2,014	Adding 5% to gross requirement (e)

The five year supply: deliverable sites

Stage	Total	Notes
g. Pool of deliverable sites 2013/14 – 2017-18	<i>2,502 dwellings</i>	From Appendix 2
h. Five year supply requirement	2,014 dwellings	From table above
i. The Shepway 5 year supply proportion 2013/14 – 2017-18	124%	<i>100 (g / h)</i>
j. The Shepway 5 year supply 2013/14 – 2017-18 as expressed in years of deliverable sites	6.2 years	<i>(g / (h/5))</i>

Shepway's identified supply of 2,502 dwellings clearly exceeds the five year supply requirement (2,014). The district has 124% (or over 6 years) worth of housing sites against the specifications of NPPF paragraph 48.

If the buffer is set at 20% then the requirement in the first table (row f) would switch to **2,302**, calculated by $(e * 1.2)$. This would lead to the 5 year supply final figure of 109% as (row i) = $100 (g / 2,302)$. This means there is a five year supply even with a 20% buffer although it is not considered there is a convincing case of "a record of persistent under delivery" in Shepway²³. Local housing delivery has fluctuated and this is not unusual in Shepway but it is not believed recent delivery has in any way slowed notably less than the general decline in house building elsewhere due to national economic conditions. Moreover, delivery rates have now picked up again.

Furthermore, if windfalls were factored in at a rate of 75 dwellings per annum then the supply against which the requirement would be considered would rise from 2,502 to 2,877 dwellings. This has been shown to be unnecessary.

The calculations in the tables above adhere to the application of a buffer brought forward from within the plan period as stipulated in the NPPF at paragraph 47, i.e. a buffer exists in tackling the variation of plan delivery to date, calculated using the residual housing requirement averaged out across the remainder of the plan period.

²³ Shepway's confirmed delivery in the first six years of the South East Plan (and Core Strategy) period has equated to 1,621 dwellings which is some 93% of the strategic requirement of the South East Plan of 290 dwellings per year.

For comparison and the avoidance of doubt that a five year supply exists, an alternative methodology could seek to completely ‘front load’ the buffer into the five years, rather than across the remainder of the plan period.²⁴ This manipulates the requirement so it is ahead of the overall plan period average requirement by the end the five year period. This is not considered to be a suitable methodology against the NPPF’s requirements for the buffer to be derived from supply “moved forward from later in the plan period”.

A five year supply exists against NPPF as demonstrated in stages a. to j. above, without the inclusion of a windfall allowance.

IN SUMMARY:

- Shepway has a robust five year supply of sites in line with the provisions of the NPPF and without relying on a windfall allowance;
- The five year supply is met (and with a margin) with either a 5% or 20% buffer as set out at paragraph 47 of the NPPF; and
- The calculations behind the 124% five year housing land supply using the 5% buffer are robust and are most consistent with the NPPF by addressing the plan period residual (taking into account confirmed delivery rates) and applies a buffer derived from moving forward housing requirement from meeting the end point.

²⁴ In this alternative scenario, the calculation would start with the shortfall in delivery against the average minimum requirement of 350 dwellings per annum to date in the plan period of 604 (row b above is less than the total from the rate over seven years). Adding this amount on the standard requirement of 350 per annum equals 2,354. Then the buffer is further added totalling a requirement (row f) of 2,472. A five year supply narrowly exists with the 5% buffer, with row i equaling 101%.

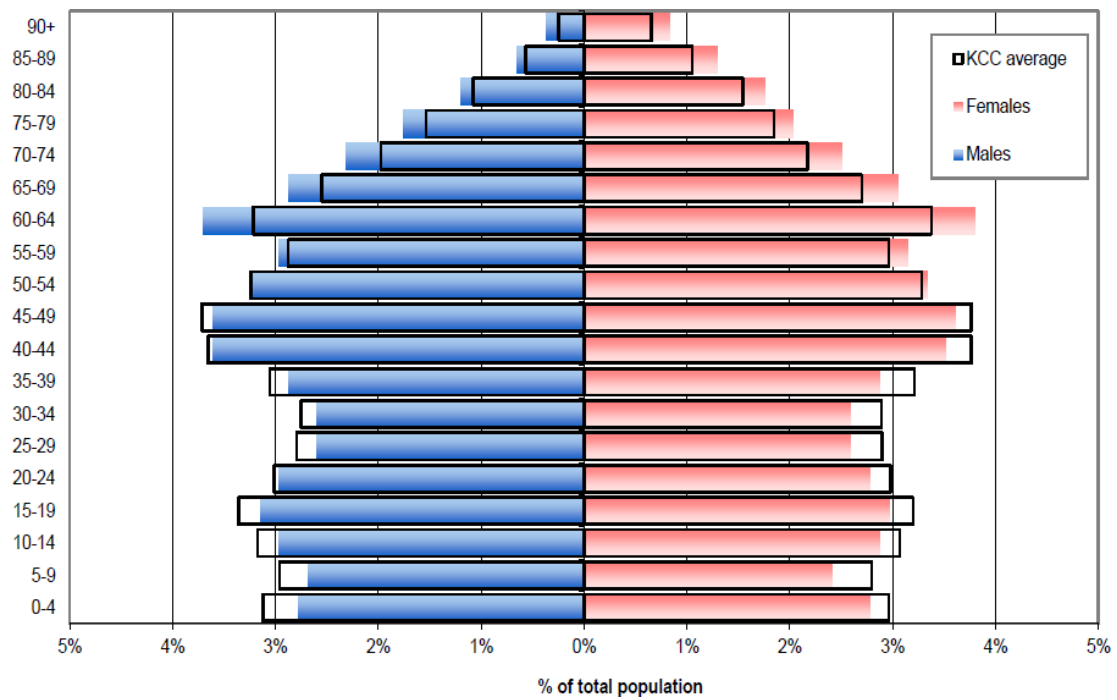
Appendix 4: breakdown of the delivery of the minimum requirement

This table updates information previously supplied to the Inspector in the Council response to Matter 2 of the 'Matters, Issues & Questions' document [Z52].

Source	Dwellings	Notes
<u>1. Completions</u>		
2006/2007	146	Completion figures are based on those included in Authority Monitoring Reports.
2007/2008	394	
2008/2009	562	
2009/2010	180	
2010/2011	132	
2011/2012	207	
SUB TOTAL	1,621	
<u>2. Outstanding planning permissions*</u>		
SUB TOTAL	2,421	This figure includes SHLAA sites 0, 21, 23, 26, 27a, 52, 53, 58, 59, 66, 77, 98, 108, 113, 119, 140, 144, 145, 146, 152, 154, 164, 171, 177, 191, 197, 215, 223, 229, 230, 232, 239, 240, 241, 286, 309, 314, 317, 336, 339, 383, 416, 464, 468, 470, 474, 475, 477, 481, 482, 488, 491, 501, 502, 503, 506, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518
*Applications with a resolution to grant permission subject to a legal agreement are included, consistent with previous practice.		
<u>3. Existing development plan allocations</u> (excluding those with an outstanding planning permission)		
Folkestone Seafront (considered at 4.)		Folkestone Seafront is an allocation under Saved Local Plan policy HO2A but is considered under point 4.
Old gas works site, Ship Street	70	

Ingles Manor, Jointon Road	100	Nickolls Quarry is an allocation under Saved Local Plan policy HO2F but is considered under point 2 as it has an extant planning permission.
Land off Romney Avenue	20	
Land off Paraker Way	10	
Nickolls Quarry (considered at 2.)		
SUB TOTAL	200	
4. Core Strategy Allocations		
Folkestone Seafront	1,000	CS Policy SS6
Shornccliffe Garrison	1,200	CS Policy SS7
SUB TOTAL	2,200	
<u>5. Housing supply anticipated to come from sites to be allocated in future DPDs etc (excluding those with outstanding permissions)</u>	1,998	<p>1. Sites capable of accommodating 1-4 dwellings not counted.</p> <p>2. Information extracted from Appendix 2. Four sites were not included in this total as whilst these met basic SHLAA suitability criteria, they subsequently did not meet policy requirements and were only considered alternative options at Preferred Options 2009 (refs. SHLAA 316/Alternative Option ND4a, 373/RM2b, 379/RM2b, 408/ND3b) and are not included in the Core Strategy housing supply. Folkestone Racecourse (SHLAA ref. 204) is also discounted.</p> <p>3. Includes some small (but capable of accommodating at least 5 dwellings) sites which have been identified in the SHLAA but may not necessarily need to be allocated to come forward, i.e. PDL identified in the centre of large towns etc.</p>
<u>6. Windfall sites</u>	975	75 per year for the last 13 years of the plan period (2018/19 – 2030/31)
<u>TOTAL</u>	<u>9,415</u>	

Appendix 5: Shepway's Age Distribution 2011



Business Intelligence, Research & Evaluation, Kent County Council (2012)