**KCC Statement on Matter 2**

**Matter 2 Housing, Economy and Infrastructure**

[Core Strategy policies: SS2, SS5, CSD1, CSD2, CSD3, CSD5, CSD10]

**Issue 2:** Are the Core Strategy’s proposals for the provision of new housing and economic development deliverable, clear, sufficiently justified and consistent with the local evidence base, the South East Plan and national policy in PPS 3? Does the Core Strategy provide satisfactorily for the delivery of development, with particular reference to transportation infrastructure, and enable adequate monitoring of its effectiveness?

**Issue 2.1** Is policy SS2’s housing target, which is in excess of that needed to meet South East Plan requirements, adequately justified by the local evidence base? Specifically:

a) Is this target achievable, given recent housing completion rates?

b) Has a sufficient level of housing supply been identified to meet this target, consistent with PPS 3’s requirements of deliverability and developability?

2.1 KCC responded to the consultation on the proposed Submission Document of July 2011 with a report approved by its Cabinet Member for Environment Highways and Waste. KCC had conditionally supported a range of 6-8,000 dwellings in the *Preferred Options* document of July 2009, compared to 5,800 in the South East Plan, but felt that the factors determining a higher value should be set out.

2.2 Policy SS2 sets a target of 8,000 new dwellings 2006-26, and a minimum of 7,000 dwellings. This target is preferred by Shepway for the following reasons:

- “a more outward looking perspective is required to…make the District competitive against other locations on the coast.” (para. 4.31)
- “evidence …suggested that future housing needs and potentially land availability were greater than identified in the South East Plan” (para. 4.34)
- "(it) would result in a rate of house building in line with trends of recent decades. ... it is expected to lead to a more manageable change in the social balance and labour supply and only limited decrease in the size of the labour force (-3.0%)” (para. 4.47).
- “... to meet objectives .. will require housing and development policy to support a move away from in-migration of predominantly older groups” (para. 4.48).

2.3 Amendment S8 would qualify the target as “approximately” 8,000 dwellings by 2026 (or 400 dwellings per annum). KCC considers that this target is consistent with the aim of the NPPF “to boost significantly housing supply “ (para. 47). The target appears to be achievable over the plan period given 300-500 dwellings have been completed for most years since 1990 (July 2011 Submission para. 4.33). Approximately two thirds of dwellings will be on previously developed land (para. 4.47), notably through the major regeneration sites of Shorncliffe Garrison and Folkestone Seafront, without detrimental impact on other planning considerations.

2.4 KCC therefore supports the dwelling target and the positive approach taken by Shepway in pursuing it.
Issue 2.2 Are policy SS2’s targets of approximately 20ha of Class B development (industrial, office and warehousing) and approximately 35,000 sq m goods retailing (class A1) adequately justified by the local evidence base?

2.5 In its report approved by its Cabinet Member for Environment Highways and Waste, KCC asked that Shepway:

“…clarify the scale and character of employment land currently available for the plan period, and the additional supply to be provided by the plan. The reasons for the target of 20 hectares should also be clarified, and should not limit the development of the sites available.”

2.6 Amendments Y34 and Y35 amplify the importance of maintaining a high supply of employment land in Shepway. However, KCC’s questions are not addressed directly.

2.7 KCC understands that Shepway has an ample supply of employment land, and the main opportunities are expressed in Figure 4.3, which indicates about 50 hectares of business land, notably 23 hectares at Link Park near Lympne, small sites in Folkestone and about 9ha at both Hawkinge and New Romney. The Core Strategy therefore makes only minor new provision. The local planning authority believes that of the existing and new land supply, about 20ha should be built out over the plan period.

2.8 KCC supports this strategy but proposes that the plan should make clear that 20ha does not limit the development of a greater amount of the land supply if market demand is present, particularly since 7ha have been achieved in the first 4 years of the plan period.
Issue 2.3 Have the potential transport effects arising from Core Strategy proposals been fully assessed? Specifically, have the concerns raised by the Highways Agency in respect of the effects on the strategic road network been adequately resolved?

Operation Stack

2.9 The report approved by KCC’s Cabinet Member for Environment Highways and Waste in response to the proposed Submission Document of July 2011, requested that Shepway District Council include an up to date statement in the Core Strategy on Operation Stack and a stronger commitment in principle to help find a solution.

2.10 KCC’s letter to Shepway District Council on 6th January 2012 requested that “the supporting text to Policy SS5 and the Appendix [2] better reflect the steps taken to find a solution to Operation Stack and (the) way in which public organisations will work together.”

2.11 Amendment Y73 to Statement 4.2 at para. 4.128 meets KCC’s request through the addition of:

“co-operate with partners including KCC and the Highways Agency to help develop solutions to Operation Stack”. (para. 4.124 in the January 2012 Submission)

Amendment Z102 substitutes the same text in Table 6.2 of Appendix 2.
Issue 2.5  Are the requirements of policies CSD2 (in respect of Lifetime Homes standards) and CSD5 (in respect of water usage) adequately justified? Has appropriate account been taken of the effects of these requirements on development viability?

2.12  KCC considers that the requirements of policies CSD2 (in respect of Lifetime Homes standards) and CSD5 (in respect of water usage) are justified since they promote standards or policies in use nationally. KCC notes the effect of the following proposed amendments:

**Lifetime Homes**

2.13  In response to the Proposed Submission Document of July 2011, KCC expressed concern that Policy CSD2 does not refer to the national target that all publicly funded new homes should meet the Lifetime Homes standard by 2011, and that the target of 20% of market dwellings is subject to feasibility and viability. This point has not been addressed by the proposed amendments.

2.14  KCC submitted detailed comments on ‘smart housing’ and Lifetime Homes. Additional description of smart housing was requested in para. 2.48, and a reference to Lifetime Homes Standards was requested in para. 4.13. A new paragraph was requested after para. 5.17 to describe the shortage of housing adapted for the use of wheel chairs.

**Water Usage in Dwellings**

2.15  KCC proposed an amendment to Policy CSD5 to replace the reference to “105 litres per person per day, or less” with a requirement to meet Code for Sustainable Homes levels 3 and 4 or their successors, but this point has not been addressed by the proposed amendments.

2.16  KCC also requested rewording of para. 5.61 to endorse Code for Sustainable Homes levels 3 and 4 as the primary means of delivering water efficiency in new homes, and to promote the potential for economies of scale with rain water harvesting systems serving multiple properties. These points would be addressed by amendment Z31 (para. 5.68 in the January Submission).
Issue 2.6  Are the Core Strategy’s infrastructure requirements clearly expressed, adequately justified and consistent with national policy? Is it clear how these will be carried forward in policy terms?

Support for KCC services

2.17 The report approved by KCC’s Cabinet Member for Environment Highways and Waste in response to the proposed Submission Document of July 2011, requested that Policy SS5 and the text acknowledge specifically that KCC services to support new development must be funded by developer contributions, and that it will be necessary for Shepway to pass CIL revenue to KCC for schools, highways and other services.

2.18 Amendment Z87 identifies KCC as a key partner and its responsibilities as a service provider (5.170 in the January submission), and amendment Z98 adds a new paragraph which states that infrastructure provision should be coordinated by service providers to ensure sufficient capacity and timely servicing of development, and “infrastructure strategy will be considered in further detail in introducing the CIL...”. (para. 5.193 in the January submission)

2.19 Although the amendments do not specifically address KCC’s request, KCC is content that Policy SS5 and the text provide a commitment to the use of CIL receipts and developer contributions to fund the services of KCC and other providers that are necessary to support development, and are identified in Annex 2.

Schools

2.20 KCC proposed amendments to the Policies for Strategic Sites (SS6, SS7, SS8) and Sellindge (Policy CSD9), and to the supporting text, to correctly identify the primary school capacity that will be required, the circumstances under which additional primary school places for Sellindge may have to be provided at the racecourse site, and to confirm that developer contributions will be needed for them. These are dealt with under Matters 3 and 4 below.

Transport

2.21 The report approved by KCC’s Cabinet Member for Environment Highways and Waste in response to the proposed Submission Document of July 2011 stated “the policies of the Core Strategy for Strategic Sites refer to the necessary highway improvements, and Appendix 2 is comprehensive in listing where works will be required” (para. 5.41). KCC therefore supports the local plan in its provision for transport.