

This Report will be made public on 9 January 2018

**Folkestone**

Hythe & Romney Marsh  
Shepway District Council



Report Number **C/17/73**

**To:** Cabinet  
**Date:** 17 January 2018  
**Status:** Key Decision  
**Head of service:** Ben Geering, Head of Planning  
**Cabinet Member:** Councillor John Collier, District Economy

**SUBJECT:** CORE STRATEGY REVIEW – REGULATION 18 CONSULTATION

**SUMMARY:**

This report is to update Cabinet regarding progress with the Core Strategy Review. A draft of the Core Strategy Review (Regulation 18 Consultation document) is provided as Appendix 1.

The report asks Cabinet's approval to undertake public consultation on the Core Strategy Review under Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012 and seeks delegated authority for the Head of Planning to make any amendments needed for the Regulation 18 consultation (arising from the Sustainability Appraisal and Habitat Regulations Assessment process and any other necessary changes) in consultation with the Cabinet Member for the District Economy.

**REASONS FOR RECOMMENDATIONS:**

Cabinet is asked to agree the recommendations set out below to allow progress to be made with the Core Strategy Review in accordance with the agreed timetable, with public consultation in the early part of 2018.

**RECOMMENDATIONS:**

1. To receive and note report C/17/73.
2. To agree the draft Regulation 18 Core Strategy Review document for the purposes of six weeks statutory public consultation early in 2018;
3. To give delegated authority for the Head of Planning, in consultation with the Cabinet Member for the District Economy, to finalise the consultation document, including any amendments required following the outcome of Sustainability Appraisal of the proposed policies and any other necessary changes; and
4. To note the evidence base documents that have been completed and are emerging since the last Cabinet update on 19 April 2017 (set out in Appendix 2) and that these documents will inform the review of the Core Strategy Local Plan.

## 1. BACKGROUND

- 1.1 The 2013 Core Strategy is a planning document which sets the development strategy for Shepway to 2031. It contains policies for strategic development sites, at Folkestone Seafront and Shorncliffe Garrison, policies for Central Folkestone, Hythe, New Romney and Sellindge and a number of general development management policies.<sup>1</sup> The spatial strategy is based on the existing settlement hierarchy and principally directs development to previously developed (brownfield) land in urban areas.
- 1.2 Officers have been working on a review of the Core Strategy and update reports have been taken to Cabinet, most recently on 19 April 2017 (C/16/107). That report included the finalised Strategic Housing Market Assessment (SHMA), the Sustainability Appraisal (SA) Scoping Report, an initial assessment of 2013 Core Strategy policies with recommendations for their review and a progress report on the AECOM High Level Options Report and Phase 2 Options Report.
- 1.3 Since April work has progressed on assembling the supporting evidence and drafting policies. A draft Core Strategy Review Regulation 18 consultation document is included as Appendix 1. (Regulation 18 is the first stage of consultation, see 'Next steps' below.) Further information is also given in Appendix 2 on the evidence work supporting the review.
- 1.4 Before summarising the Core Strategy Review itself, some background is provided on setting and meeting future housing needs.

## 2. SETTING FUTURE HOUSING NEEDS

- 2.1 The Core Strategy Review is being undertaken at a time of great change in national planning policy. The Department for Communities and Local Government (DCLG) has consulted on proposed changes to the way that housing need is calculated across the country.<sup>2</sup> If implemented as proposed, the approach would replace local assessments of need undertaken through SHMAs (unless local assessments indicate higher levels of growth) with a standard national formula, updated annually with new data from the Office for National Statistics (ONS). This is intended to simplify the process, although it has added uncertainty for the Core Strategy Review.
- 2.2 The Council's SHMA assessed the need for housing (market and affordable) to be 633 new homes a year for the period 2014 to 2037. Under DCLG's proposed method, a minimum capped figure could be introduced of 490 new homes a year.<sup>3</sup> (The capped figure would rise at successive plan reviews until the full assessment of need is reached. For Shepway, under DCLG's proposed formula, the full need is currently calculated to be 722 new homes a year.)

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<sup>1</sup> The 2013 Core Strategy is available to view on the Council's website at:

<https://www.shepway.gov.uk/planning/planning-policy/local-plan/core-strategy>

<sup>2</sup> 'Planning for the right homes in the right places: consultation proposals', DCLG, September 2017

<sup>3</sup> The cap takes the current housing requirement of 350 new homes a year identified in the 2013 Core Strategy and provides an uplift of 40 per cent (350 + 40% [140] = 490).

- 2.3 The Core Strategy Review has been prepared using the SHMA figure of an average of 633 homes a year for the plan period 2018/19 to 2036/37, with a minimum requirement of the draft capped figure of 490 for the first five years of the plan to allow for a transition to the higher requirements as the plan progresses.<sup>4</sup>
- 2.4 Given the Council's ambitions for growth, and the need to progress the plan in the current policy framework, it is considered prudent to plan for the locally identified recent assessment of housing need from the SHMA. The use of a housing trajectory that recognises the draft 'capped' figure, referred to above, is intended to provide protection against five year housing land supply appeals and the Housing Delivery Test, also due to be introduced next year, that will be applicable across the plan period. It is proposed to meet the full housing need over the plan period. (A draft housing trajectory for the Core Strategy Review plan period, using currently available information, is given in Appendix 3 to this report.)
- 2.5 By planning for growth above the 'capped' figure in the draft Government formula, using the need identified within our own Planning Practice Guidance (PPG) compliant evidence base, the Council will be well-placed to demonstrate that it is meeting the Government's aspirations. As the consultation made clear (paragraph 46):
- "We want to make sure that we give proper support to those ambitious authorities who want to deliver more homes. To facilitate this we propose to amend planning guidance so that where a plan is based on an assessment of local need in excess of that which the standard method would provide, Planning Inspectors are advised to work on the assumption that the approach is sound unless there are compelling reasons to indicate otherwise. We will also look to use the Housing Infrastructure Fund to support local planning authorities to step up their plans for growth, releasing more land for housing and getting homes built at pace and scale."*
- 2.6 At present it remains unclear whether the SHMA figure should be backdated to 2014, with all completions for the period 2014/15 to 2017/18 deducted from need, or begin from the submission year of 2018/19. This will be explored further with DCLG and the Planning Inspectorate (PINS) after the Regulation 18 consultation. (As outlined in paragraph 6.8 below a new version of the National Planning Policy Framework (NPPF) and accompanying Planning Practice Guidance (PPG) is expected to be published in spring 2018 and this may necessitate changes to the Core Strategy Review.)
- 2.7 The draft Core Strategy Review has therefore been written using the plan period of 2018/19 to 2036/37, with a requirement to deliver on average 633 homes per year over this 19 year period, a total of 12,027 new homes as a minimum.

### **3. MEETING FUTURE HOUSING NEEDS**

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<sup>4</sup> See footnote 3. The 'capped' figure is a minimum calculated from the current plan figure plus 40 per cent.

- 3.1 The preceding section has described the approach to setting housing need over the plan period; this section outlines how the plan will meet the need.
- 3.2 Section 4.2 of the Core Strategy Review (see Appendix 1) sets out the different sources of housing supply over the plan period. This is summarised in Table 1 below.

<b>Source</b>		<b>Contribution (net dwellings)</b>
1.	Delivery (minimum) through extant planning permissions and sites under construction	4,100
2.	'Windfall' sites – allowance of 50 dwellings per annum for 17 years	850
3.	Delivery through existing allocated development sites (Core Strategy and Local Plan allocations) without planning permission	1,400
4.	Delivery through the further expansion of Sellindge (revised Policy CSD9)	350
5.	Delivery through the allocated garden settlement over the plan period 2018/19 to 2036/37 (new Policy SS6)	5,500
<b>Total 2018/19-2036/37 (minimum)</b>		<b>12,200</b>

- 3.3 For **existing permissions and sites under construction** (row 1), homes anticipated to be completed during the current year (2017/18) have been removed. An allowance of 10 per cent has also been deducted for existing permissions where work has not started on site, to take account of permissions that may lapse. Approximately 4,100 dwellings are anticipated from this source.
- 3.4 For **'windfall' sites** (row 2), an annual allowance of 50 dwellings has been made. (Windfall sites are small unidentified sites that continue to come forward for development. In Shepway these are defined as sites of one to four dwellings net.) The National Planning Policy Framework (NPPF)<sup>5</sup> states that local planning authorities may make an allowance for windfall development in their housing 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"* (paragraph 48). Evidence from the years 2007/08 to 2016/17 indicates that an average of 62 dwellings a year has arisen from this source. 50 dwellings has been used as a conservative estimate for the plan period. Early years (2018/19-2019/20) have been discounted to avoid double-counting with sites already with permission.

<sup>5</sup> Available to view at:

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6077/2116950.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6077/2116950.pdf)

- 3.5 There are a number of **existing allocations without planning permission** (row 3), in the emerging Places and Policies Local Plan and 2013 Core Strategy that are expected to contribute approximately 1,400 dwellings over the plan period. This includes remaining development at New Romney allocated in 2013 Core Strategy Policy CSD8 not yet with planning permission. 10 per cent has been deducted as an allowance for non-delivery (sites that may be developed for less than the allocated figure or that may be developed beyond the plan period).
- 3.6 The remainder of the housing requirement is projected to be met by new and revised policies within the Core Strategy Review, comprising the further expansion of Sellindge and the new garden settlement in the North Downs Area:
- For the **further expansion of Sellindge** (row 4), the figure of 350 homes allows for a proposed second phase of development, beyond the 250 homes already allocated in the 2013 Core Strategy. This is set out in the revised Core Strategy Review Policy CSD9; and
  - For the **allocated garden settlement in the North Downs Area** (row 5), an allowance of 5,500 dwellings has been made for development. It should be noted that this only includes development within the plan period; as Core Strategy Review Policy SS6 sets out, there is potential for future growth to provide a total of 8,000 to 10,000 homes (subject to detailed masterplanning) within the site allocation boundary up to and beyond the plan period. These homes would be accounted for in a future review of the plan.
- 3.7 Together these sources of supply account for approximately 12,200 homes within the plan period, exceeding the requirement of 12,027 homes identified in Section 2.

#### **4. APPROACH TO THE CORE STRATEGY REVIEW**

- 4.1 The Government announced its intention in the Housing White Paper<sup>6</sup> to introduce regulations requiring local planning authorities to update their local plans at least once every five years.
- 4.2 Local plans will therefore need to be reviewed, in whole or in part, on a more frequent basis than in the past; there will in effect be a continual rolling review of plans. The approach to the Core Strategy Review has therefore been to review only those sections and policies that need to be amended now; further changes may be needed in the future, but these can be addressed in the next review. However, given the time that has elapsed since the adoption of the Core Strategy in 2013, there are nevertheless a number of policies and areas of text throughout the document that need amending.
- 4.3 This approach has meant that:

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<sup>6</sup> 'Fixing our broken housing market' (DCLG, February 2017), paragraph 1.8. Available to view at: [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/590464/Fixing\\_our\\_broken\\_housing\\_market\\_-\\_print\\_ready\\_version.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/590464/Fixing_our_broken_housing_market_-_print_ready_version.pdf)

- *Some policies have been left unchanged from the 2013 Core Strategy* - This includes a number of policies for strategic sites, such as Folkestone Seafront and Shorncliffe Garrison. Although the majority of sites in the 2013 Core Strategy have planning permission and development has started or is advanced on some sites, the policies are kept in the plan to guide subsequent phases of development or in case permissions are not implemented;
  - *Some policies have been amended in part* – This includes where national policy has changed, such as changes to the thresholds for affordable housing provision, or the Council's policies have developed, such as through the introduction of the Community Infrastructure Levy (CIL); and
  - *Four new policies have been introduced* – This is where new development is proposed for a garden town in the North Downs Area (new Policies SS6-SS9). (It should also be noted that the policy boundary of the garden town and the amended boundary of Policy CSD9: Sellindge Strategy will be excluded from the CIL and so this will require an update to the Council's CIL Charging Schedule.)
- 4.4 Revisions have also been made to the supporting text of the plan to provide an update to the current district position, to reflect the Council's corporate ambitions and to identify how development can utilise the district's high quality infrastructure.
- 4.5 Cabinet is asked to note that some further work is currently being undertaken on the Core Strategy Review document:
- All diagrams and plans are being reviewed to reflect proposals for a new garden settlement and to include more up-to-date information where available (for example, updated flood risk maps) using in-house resources;
  - The appendices are being updated to set out a new housing trajectory showing anticipated housing completions over the plan period reflecting: the garden settlement, the expansion of Sellindge, existing planning permissions, emerging allocations in the Places and Policies Local Plan and windfall and other developments;
  - The appendices are being updated to reflect the infrastructure requirements of the garden settlement and other strategic developments, drawing on the latest information from infrastructure providers and work being undertaken on the Council's Infrastructure Delivery Plan (IDP); and
  - Further evidence is being finalised or is being prepared, as set out in Appendix 2.

## 5. CORE STRATEGY REVIEW - SUMMARY OF CHANGES

- 5.1 The draft Regulation 18 Core Strategy Review is provided in Appendix 1. **New text is shown in red in the draft; for reasons of clarity and concision deleted text has not been shown.** The draft includes proposed schematic plans for the garden settlement and Sellindge expansion in the relevant sections of the plan. For ease of reference, these are also included as appendices to this report at a larger size (see Appendices 4 and 5).

- 5.2 A summary of the proposed changes is given below for each section of the document.

### **Section 1: Introduction**

- 5.3 This section has been updated with highlighted boxes to explain the process of the plan review and how respondents can comment on the draft document when the consultation begins. Other factual and contextual changes have been made where necessary.

### **Section 2: Strategic Issues**

- 5.4 Various factual updates have been made to reflect new data on: population and health; economy and education; and environment and natural assets. A new strategic need has been added to Section 2.2: Strategic Needs for Sustainable Development:

*“Strategic Need D: The challenge to plan for strategic development which fosters high quality place-making with an emphasis on sustainable movement, buildings and green spaces.”*

- 5.5 Policy DSD: Delivering Sustainable Development is not proposed to be amended, other than by making some minor changes for explanation and clarity.

### **Section 3: Aims and Vision for Shepway**

- 5.6 Section 3.1: District Planning Aims has been updated to reflect Strategic Need D. Section 3.2: Vision for Shepway has been updated to reflect proposals for a new garden settlement in the North Downs Area.

### **Section 4: The Spatial Strategy for Shepway**

- 5.7 This section sets out the overall development strategy for the district and quantities of development for the plan period. The section has been updated to reflect new development targets, particularly for housing, and the new plan period. The hierarchy of settlements has been revised to reflect the new garden settlement taking account of: its future role as a centre for employment and town centre development; its importance within the North Downs character area; and the strategic role it will play for growth in the district. The employment strategy has been informed by the work of Lichfields on the Employment Opportunities Study.
- 5.8 Amendments have been made to policies, and four new policies have been introduced for a new garden settlement. Policies for the garden settlement (SS6-SS9) have been based on a range of evidence and work (see Appendix 2). Examples of planning policies for new settlements elsewhere in the country have also been used to inform the approach, including the North Essex Garden Towns, Gilston and Welborne. The garden settlement policies will be further revised for the Regulation 19 plan expected later in 2018, as further evidence is completed and to take into account representations from stakeholders following the Regulation 18 consultation.

5.9 In summary the changes to Section 4 of the plan are as follows (new policies are in bold):

- *Policy SS1: District Spatial Strategy* – amended to reflect proposals for a new garden settlement;
- *Policy SS2: Housing and the Economy Growth Strategy* – amended to reflect new housing targets and to delete the brownfield land target;
- *Policy SS3: Place-Shaping and Sustainable Settlements Strategy* – amended to reflect proposals for a new garden settlement;
- *Policy SS4: Priority Centres of Activity Strategy* – amended to reflect proposals for a new garden settlement;
- *Policy SS5: District Infrastructure Planning* – amended to reflect the introduction of the Council’s Community Infrastructure Levy on 1 August 2016;
- ***Policy SS6: New Garden Settlement – Development Requirements*** – a new policy setting out the development requirements for the garden town, including a requirement for a minimum of 5,500 new homes within the plan period to meeting housing need and a capacity of 8,000 -10,000 homes for the settlement within the identified red line site allocation area. The employment requirements have been informed by the Employment Opportunities Study which promotes space for advanced manufacturing, a business park, hybrid employment space and dispersed workspace hubs in local centres. A challenging target will be set for the number of jobs that will be created across the private, public and voluntary sectors, with the policy identifying an aspiration of one job per dwelling;
- ***Policy SS7: New Garden Settlement – Place Shaping Principles*** – a new policy setting out the quality of design expected from the new town;
- ***Policy SS8: New Garden Settlement – Sustainability Principles*** – a new policy setting out the environmental standards that the new town will be required to meet;
- ***Policy SS9: New Garden Settlement – Infrastructure, Delivery and Monitoring*** – a new policy setting out phasing of development and new infrastructure requirements;
- *Policy SS10: Spatial Strategy for Folkestone Seafront* – policy renumbered but otherwise kept unchanged from the 2013 Core Strategy. New text has been added before the policy to state that, although planning permission has been granted, the policy is kept to guide future phases of development; and
- *Policy SS11: Spatial Strategy for Shorncliffe Garrison, Folkestone* – policy renumbered but otherwise kept unchanged from the 2013 Core Strategy. New text has been added before the policy to state that, although planning permission has been granted, the policy is kept to guide future phases of development.

## **Section 5: Core Strategy Delivery**

5.10 This section sets out a number of development management policies and Areas of Strategic Change covering Central Folkestone, Hythe, New Romney and Sellindge.

5.11 Amendments have been made to policies in Section 5 as follows:



- *Policy CSD1: Balanced Neighbourhoods for Shepway* – amended to reflect changed government requirements related to affordable housing provision which sets a threshold below which affordable housing should not be sought;
- *Policy CSD2: District Residential Needs* – updated with information from the Strategic Housing Market Assessment on the split of tenures and sizes of homes across the future housing supply. The SHMA identifies the need for: 55 per cent of new homes to be owner-occupied; 23 per cent of new homes to be private rented; 7 per cent of new homes to be shared ownership; and 15 per cent of new homes to be social rented/affordable rent. (More information on sizes of homes and affordable housing provision is set out in Appendix 6);
- *Policy CSD3: Rural and Tourism Development of Shepway* – not proposed to be amended;
- *Policy CSD4: Green Infrastructure of Natural Networks, Open Spaces and Recreation* – reference to the Open Space and Play Space studies added;
- *Policy CSD5: Water and Coastal Environmental Management in Shepway* – clarified with regard to standards for water usage;
- *Policy CSD6: Central Folkestone Strategy* – not proposed to be amended;
- *Policy CSD7: Hythe Strategy* – not proposed to be amended;
- *Policy CSD8: New Romney Strategy* – not proposed to be amended; and
- *Policy CSD9: Sellindge Strategy* – amended to identify additional strategic growth opportunities, with a second phase of growth for the settlement to deliver a further 350 homes, in addition to the 250 homes that already have planning permission. This allocation follows the outputs of the growth options work and sustainability appraisal to give a total level of new 600 homes with associated and appropriate infrastructure facilities and upgrades.

## **Section 6: Appendices**

5.12 Revised detail will be added on the phasing of development and infrastructure requirements.

## **6. NEXT STEPS**

6.1 The timetable for future stages of the Core Strategy Review is provided in Appendix 7.

### **Sustainability Appraisal and Habitats Regulations Assessment**

6.2 Draft site options have been assessed for the garden settlement and Sellindge by consultants LUC - undertaking the Sustainability Appraisal (SA) and Habitats Regulation Assessment (HRA) of the plan - following their work on the Sustainability Appraisal Scoping Report of the Core Strategy Review.<sup>7</sup>

<sup>7</sup> Available to view at: <https://www.shepway.gov.uk/media/4204/Sustainability-Appraisal-Scoping-Report-for-Core-Strategy->

- 6.3 The SA work for the new garden settlement assessed two options, one based on the boundary of the AECOM work (Spatial Option A) and one based on the boundary of the Expression of Interest (Spatial Option B), as a reasonable alternative. Both options performed similarly against the range of SA objectives agreed by Cabinet in April 2017; however, Option A performed better than Option B in relation to one of the objectives<sup>8</sup>, due to the higher landscape impact of developing closer to Harringe Lane. For development at Sellindge, LUC assessed growth to the west, south and east of the village in various combinations. The assessment concluded that development to the south and east performed better and that development to the west was less suitable; this is reflected in the draft Regulation 18 plan (revised Policy CSD9).
- 6.4 LUC is currently reviewing the draft policies within the Core Strategy Regulation 18 consultation, ahead of the formal consultation.

### **Regulation 18 consultation**

- 6.5 Cabinet is asked to approve the draft Core Strategy Review (Appendix 1) for consultation under Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012, with delegated authority given to the Head of Planning in consultation with the Cabinet Member for the District Economy to make any minor changes resulting from the further evidence outlined in this report and the findings of the SA and HRA work.
- 6.6 If Cabinet approves the plan for consultation, a final consultation version will be produced. There will then be a period of public consultation for six weeks on the draft plan in early 2018.

### **Revisions to the Core Strategy Review**

- 6.7 Following completion of the Regulation 18 process, officers will prepare the next version of the plan for consultation under Regulation 19. This will be informed by:
- The comments from the Regulation 18 consultation;
  - Continuing dialogue with landowners, infrastructure providers and others, including the framework masterplan submitted by the site promoters for Otterpool Park; and
  - Additional evidence work, as outlined in Appendix 2.
- 6.8 Other factors that may necessitate amendments to the plan include:
- *Changes to national policy* – the Government has stated that it will produce a new draft of the National Planning Policy Framework (NPPF) for consultation in early 2018, with the aim of publishing the revised NPPF in spring 2018. Accompanying amendments are also likely to be made to the online Planning Practice Guidance (PPG).<sup>9</sup> The changes

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[Review/pdf/Shepway Core Strategy Review SA Scoping Report Revised Final March 2017.pdf](#)

<sup>8</sup> Objective SA3: “Conserve, and where relevant enhance, the quality, character and local distinctiveness of the landscape and townscape.”

<sup>9</sup> Available to view at: <https://www.gov.uk/government/collections/planning-practice-guidance>

are likely to focus on planning for housing need (outlined in Section 2 above) but other amendments may also be introduced that need to be reflected in changes to the plan; and

- *Discussions with neighbouring authorities* – the Government is intending to introduce a requirement for local authorities to agree statements of common ground with their neighbours across housing market areas to support plan-making.<sup>10</sup> Outline statements of common ground would be required around September 2018 with final statements to be published around March 2019. Although the Council has been engaging fully with its neighbours and key stakeholders for the Core Strategy Review, to fulfill the duty to cooperate under the Localism Act, according to the Government's timetable, a more formal statement of common ground will need to be produced in outline before the Regulation 19 version is finalised later in 2018.

### **Regulation 19 consultation**

- 6.9 When the Regulation 19 version of the Core Strategy Review has been produced and approved by Cabinet, there will be a further period of consultation for six weeks. This is anticipated to be at the end of 2018. Following this, the Regulation 19 plan, consultation comments and accompanying evidence will be submitted to the Secretary of State for examination (undertaken by PINS) in early 2019.

### **Examination**

- 6.10 After submission, PINS will appoint an Inspector to undertake a public examination into the plan, including public hearing sessions. On close of the hearing sessions the Inspector is likely to recommend modifications to the plan which will need a final period of consultation before the Inspector's report is issued. If the Inspector finds the plan 'sound', the Council can then proceed to adoption and the plan can then be used in the development management process. This is likely to be later in 2019.
- 6.11 The Government is proposing that, on submission of a plan to the Secretary of State, a local planning authority's housing requirements will be 'fixed' for a period of two years.<sup>11</sup> This is to give authorities time to progress through the examination to adoption knowing the housing figure is agreed for this period. If a plan was not adopted in this time housing needs would revert to the latest nationally-derived figure, drawn from updated household formation and affordability figures provided by ONS. The implication of this is that it is essential that the plan moves from submission to adoption within the two year period. Following the adoption of the plan, work would need to begin straight away on the next review to ensure that the Council can meet the Government's requirement to review plans at least every five years.
- 6.12 It is therefore extremely beneficial to include strategic site policies, as set out in draft policies SS6-SS9, that plan for development beyond the current housing need and plan period, with the likely requirement to increase by

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<sup>10</sup> 'Planning for the right homes in the right places: consultation proposals', DCLG, September 2017, paragraphs 56-119.

<sup>11</sup> Ibid. Paragraph 38.

2023 (on the next plan review). By planning for growth above the plan requirement this will minimise the risk of a future review requiring the identification of a significant alternative location for growth. It will also allow for consideration of further growth beyond that identified by AECOM's Growth Options Study in the future, as the new garden town develops and/or through further expansion at Sellindge.

## 7. OPTIONS

7.1 Cabinet has the following options when considering the recommendations of this report:

- a) To agree the draft Core Strategy Review for consultation under Regulation 18 with minor amendments; or
- b) To agree the draft Core Strategy Review for consultation under Regulation 18 with substantial amendments; or
- c) Not to agree the draft Core Strategy Review for consultation.

7.2 Cabinet is asked:

- To receive and note this report;
- To agree the draft Regulation 18 Core Strategy Review document for the purposes of six weeks statutory public consultation early in 2018;
- To give delegated authority for the Head of Planning, in consultation with the Cabinet Member for the District Economy, to finalise the consultation document, including any amendments required following the outcome of Sustainability Appraisal of the proposed policies and any other necessary changes; and
- To note the evidence base documents that have been completed and are emerging since the last Cabinet update on 19 April 2017 (set out in Appendix 2) and that these documents will inform the review of the Core Strategy Local Plan.

7.3 The reason for these recommendations is that they will allow progress to be made with the Core Strategy Review to the timetable set out in Appendix 7, with public consultation in the early part of 2018.

## 8. RISK MANAGEMENT ISSUES

8.1 A summary of the perceived risks is as follows:

Perceived risk	Seriousness	Likelihood	Preventative action
Delays to the Core Strategy Review process	Medium	Medium	Discuss progress with PINS and work closely with key stakeholders. Maintain and regular monitor review programme through updates to the Local Development Scheme.
Further delays	High	Medium	Regular liaison

receiving Framework Masterplan for garden settlement from site promoter(s)			meetings with promoters to ensure clarity of information and studies required.
Significant changes in legislation and Government planning policies and guidance	High	Low	Maintain dialogue with DCLG and PINS. Update Core Strategy Review as necessary for Regulation 19 consultation.
Plan found unsound by PINS at examination	High	Low	Secure informal advice from PINS at key stages of the plan-making process.
External challenge of the plan-making process from third parties	High	Medium	Follow best practice and take legal advice where necessary.

## **9. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS**

### **9.1 Legal Officer's Comments**

There are no legal implications arising directly out of this report. The Core Strategy Review has been prepared for consultation purposes in accordance with Regulation 18 of the Town and Country Planning (Local Planning) (England) Regulations 2012. (DK)

### **9.2 Finance Officer's Comments**

This Draft Core Strategy Review together with further stages of work to be met from within the approved Core Strategy Review budget (AK).

### **9.3 Diversities and Equalities Implications**

An Equalities Impact Assessment (EqIA) will need to be undertaken on the plan as policies are firmed up for the Regulation 19 version. Equalities impacts will be one of the considerations of the Inspector in examining the Core Strategy Review.

## **10. CONTACT OFFICERS AND BACKGROUND DOCUMENTS**

Councillors with any questions arising out of this report should contact the following officers prior to the meeting:

Ben Geering, Head of Planning  
 Email: [ben.geering@shepway.gov.uk](mailto:ben.geering@shepway.gov.uk)  
 Telephone: 01303 853457

Adrian Tofts, Planning Policy Manager  
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Telephone: 01303 853438

The following background documents have been relied upon in the preparation of this report:

**Appendices:**

Appendix 1: Core Strategy Review – Regulation 18 Consultation Draft  
Appendix 2: Summary of Evidence Base and Related Documents  
Appendix 3: Draft Housing Trajectory  
Appendix 4: Draft Strategy Plan for Garden Settlement North Downs (Policies SS6-SS9)  
Appendix 5: Draft Strategy Plan for Sellindge (Policy CSD9)  
Appendix 6: Housing Requirements and Delivery – Affordable Homes, Tenures and Sizes of Dwellings for Shepway District  
Appendix 7: Timetable for the Core Strategy Review

**Appendix 1: Core Strategy Review – Regulation 18 Consultation Draft**

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## Appendix 2: Summary of Evidence Base and Related Documents

Appendix 2: Evidence base and related documents			
Document		Status	Comments
1	A Charter for Otterpool Park, SDC, 2017.	Agreed by Cabinet on 18 October 2017 (C/17/49) following earlier public consultation.	The <a href="#">Charter for Otterpool Park</a> is a policy document that sets out the Council's corporate aspirations for the proposed garden settlement.
2	Strategic Housing Market Assessment: Part 1 - Objectively Assessed Need, PBA, March 2017	Finalised and published. Reported to Cabinet on 19 April 2017 (C/16/107)	The <a href="#">SHMA Part 1</a> is an evidence document that sets out future housing need.
3	Strategic Housing Market Assessment: Part 2 – Objectively Assessed Need for Affordable Housing, PBA, December 2016	Finalised and published. Reported to Cabinet on 19 April 2017 (C/16/107)	The <a href="#">SHMA Part 2</a> is an evidence document that sets out the need for affordable housing and housing for other specific groups.
4	High Level Options Report – Shepway District Growth Options Study, AECOM, December 2016	Finalised and published. Reported to Cabinet on 19 April 2017 (C/16/107)	The <a href="#">High Level Options Report</a> is an evidence document that assesses opportunities for strategic-scale development throughout the district and identifies constraints and limits to development.
5	Shepway Growth Options Study – Phase Two Report, AECOM, April 2017	Finalised and published. Reported to Cabinet on 19 April 2017 (C/16/107)	The <a href="#">Phase Two Report</a> is an evidence document that takes the conclusions of the High Level Options Report as its starting point and adds detail and site-specific evidence to determine the boundaries of land considered suitable for strategic-scale development and the extent of land considered unsuitable for such development.
6	High Level Landscape Appraisal, AECOM, February 2017	Finalised and published. Reported to Cabinet on 19 April 2017 (C/16/107)	The <a href="#">High Level Landscape Appraisal</a> is an evidence document that informs opportunities and constraints for growth with regard to landscape character and visual amenity.
7	Sustainability Appraisal Scoping Report for Core	Finalised and published. Reported	The <a href="#">SA Scoping Report</a> presents the initial stage of



<b>Appendix 2: Evidence base and related documents</b>			
<b>Document</b>	<b>Status</b>	<b>Comments</b>	
	Strategy Review, LUC, March 2017	to Cabinet on 19 April 2017 (C/16/107)	the SA process, a mandatory requirement of plan preparation. This will be update through the plan-making process alongside the Habitats Regulations Assessment (HRA)
8	Open Space Strategy, LUC, June 2017	Need identified in report to Cabinet on 19 April 2017 (C/16/107). Review completed June 2017.	The Open Space Strategy is an evidence document that assesses the quality, accessibility and value of open spaces across the district.
9	Play Area Review, LUC, June 2017	Need identified in report to Cabinet on 19 April 2017 (C/16/107). Review completed June 2017.	The Play Area Review is an evidence document that establishes standards for future play area provision.
10	Otterpool Park Garden Town Employment Opportunities Study, Lichfields	Need identified in report to Cabinet on 19 April 2017 (C/16/107). In preparation; likely to be finalised early in 2018 before the Regulation 18 consultation.	The Employment Opportunities Study is an evidence document that will provide a strategic perspective on policy, economic growth and market demand factors that could support new employment opportunities at Otterpool Park.
11	Gypsy and Traveller Accommodation Assessment (GTAA), Arc <sup>4</sup>	In preparation.	The GTAA is an evidence document that will identify the need for pitches for gypsies and travellers. There is a national requirement to plan for gypsy and travellers and this assessment is being undertaken in partnership with Kent local planning authorities, reflecting updated 'Planning policy for traveler sites', DCLG, August 2015.
12	Sports Facilities Strategy, PLC Ltd	Need identified in report to Cabinet on 19 April 2017 (C/16/107). In preparation.	The Sports Facilities Strategy is an evidence document that will assess the provision of and future need for: sports halls, swimming pools, health

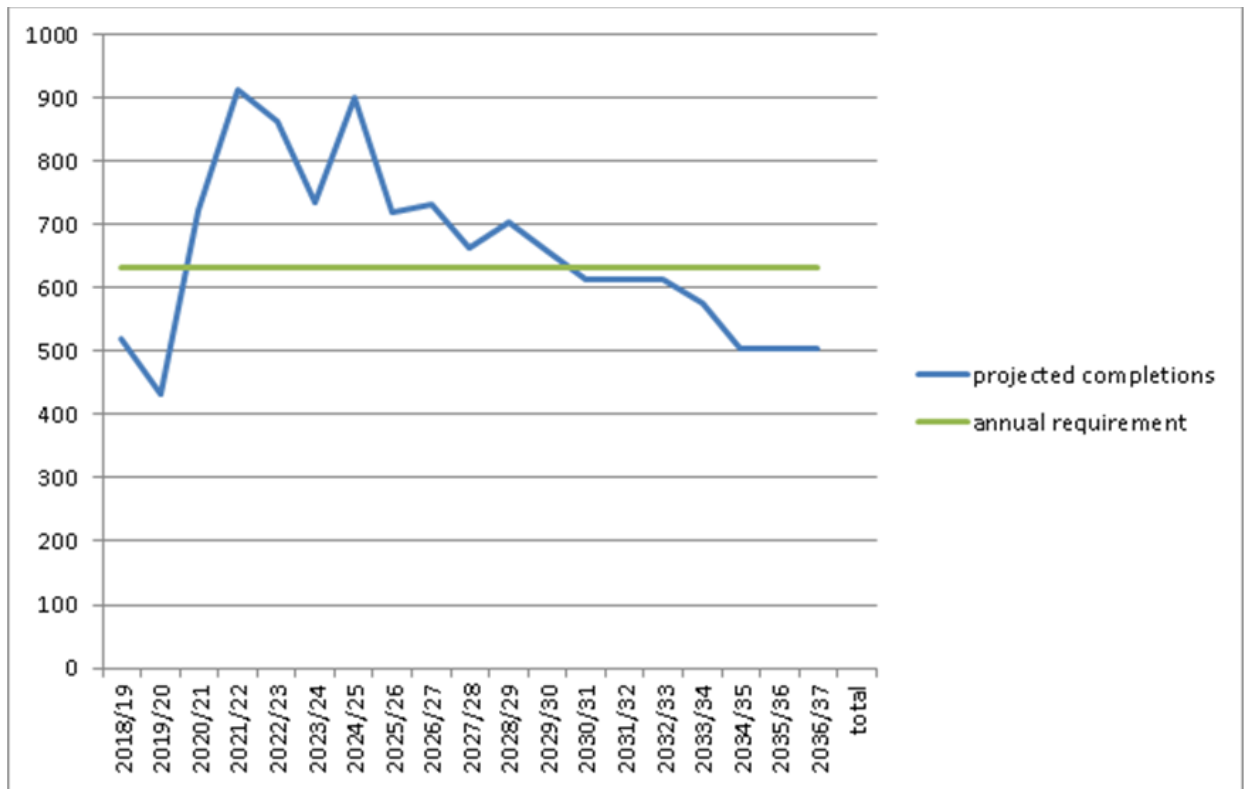
Appendix 2: Evidence base and related documents			
Document	Status	Comments	
		and fitness facilities, squash courts, tennis courts, bowling greens, athletics tracks, water sport facilities and villages and community halls.	
13	Water Cycle Strategy, SDC	Need identified in report to Cabinet on 19 April 2017 (C/16/107). In preparation	This is an evidence document that will assess the supply of and need for water and waste water treatment. It is being undertaken using in-house resources with support from Kent County Council, the Environment Agency and water companies.
14	Transport Strategy, AECOM	In preparation	This is an ongoing review of the implications of the growth proposed in the Core Strategy Review including assessment of the impact on key road junctions and proposed remedial measures brought forward in the masterplanning work.
15	Heritage Strategy, KCC	Identified in report to Cabinet on 19 April 2017 (C/16/107). In preparation	The Heritage Strategy is an evidence document that will ensure that the heritage of the district shapes future regeneration, development and management decisions, as well as identifying opportunities and vulnerabilities (such as crime and neglect).
16	Infrastructure Delivery Plan, SDC	In preparation.	The IDP is a living document that identifies the need for infrastructure resulting from planned growth, the key dates for provision and sources of funding.
17	Future evidence studies <b>may</b> include the following: <ul style="list-style-type: none"> <li>• Update of the Green Infrastructure Report;</li> <li>• Update of the Town Centre Study;</li> <li>• Self-Build and Custom-</li> </ul>	Highlighted in report to Cabinet on 19 April 2017 (C/16/107). If need is confirmed the documents listed will be prepared in-house or commissioned	

**Appendix 2: Evidence base and related documents**

<b>Document</b>	<b>Status</b>	<b>Comments</b>
Build Opportunities Report; <ul style="list-style-type: none"><li>• Parking Study (to be confirmed in discussion with Kent County Council highways);</li><li>• Whole Plan Viability Assessment;</li><li>• Technology, Innovation, Low Carbon and Low Energy Study; and</li><li>• External Review of Masterplanning, Policies and Proposals.</li></ul>	externally as appropriate.	

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### Appendix 3: Draft Housing Trajectory



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**Appendix 4: Draft Strategy Plan for Garden Settlement North Downs  
(Policies SS6-SS9)**

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**Appendix 5: Draft Strategy Plan for Sellindge (Policy CSD9)**

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## **Appendix 6: Housing Requirements and Delivery – Affordable Homes, Tenures and Sizes of Dwellings for Shepway District**

### **1. Introduction**

- 1.1. This appendix sets out background information on affordable homes, housing tenures and the sizes of dwellings to explain how these considerations have been reflected in updated Shepway District Core Strategy Review policies for the district.

### **2. 2013 Core Strategy Requirements**

- 2.1. This section summarises the existing policy requirements set out in the 2013 Core Strategy.
- 2.2. The core objective of the plan is to deliver a minimum of 350 new dwellings a year on average over the plan period (2006/07-2030/31) or 8,800 dwellings in total. Housing policies within the plan drew on evidence from the Strategic Housing Market Assessment (SHMA) for the East Kent Sub-region (ECOTEC, June 2009) and the viability assessment of the plan, and were initially prepared within the context of the South East Plan (subsequently revoked).

#### **Affordable housing provision**

- 2.3. The 2013 Core Strategy sets a requirement for affordable housing provision in Policy CSD1: Balanced Neighbourhoods for Shepway. 'Affordable housing' is defined in the National Planning Policy Framework (NPPF) as:

*“Social rented, affordable rented and intermediate housing, provided to eligible households whose needs are not met by the market. Eligibility is determined with regard to local incomes and local house prices. Affordable housing should include provisions to remain at an affordable price for future eligible households or for the subsidy to be recycled for alternative affordable housing provision.”*

- 2.4. For smaller sites (up to 14 dwellings) a specified number of affordable homes is given in Policy CSD1, up to 20 per cent of the total. For sites of 15 or more dwellings the policy requires the provision of 30 per cent affordable dwellings on-site, subject to viability. The Core Strategy states that: *“An approximate average of 100 affordable homes per year is considered achievable over the whole plan period, primarily through developer funded provision under [Policy CSD1]”* (paragraph 5.4).

#### **Affordable housing tenure**

- 2.5. The 2013 Core Strategy aims to provide around 40 per cent of the affordable provision as intermediate forms of tenure (including shared equity) and 60 per cent as affordable rented tenure (paragraph 5.6).

#### **Sizes of new homes**

2.6. The Core Strategy sets an overarching target for the sizes of new dwellings, based on the number of bedrooms, applicable across all tenures including market housing. The aspiration of the plan is “for the number of smaller new dwellings (categorised as one or two bedrooms) to be matched with the number of larger new dwellings (50% with 3 bedrooms or over) being built” (paragraph 5.13). Policy CSD2: District Residential Needs therefore sets out that “at least half of new homes by 2026 will be three bedroom (or larger) dwellings.”

### 3. Provision of Affordable Homes, Housing Tenures and Sizes

3.1. This section summarises how recent developments compare with the 2013 Core Strategy policy targets.

#### Affordable housing provision

3.2. Affordable housing completions are set out in the Table 1 below, from the start of the plan period (2006/07) to the current year (estimated). This table also gives the split between affordable rented and intermediate tenures (the National Planning Policy Framework gives definitions of these terms<sup>12</sup>).

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	2017/18*	Total	Average (year)	Percentage
Affordable rent	16	20	90	113	40	54	52	38	83	43	22	85	656	55	75%
Intermediate	0	19	16	10	11	6	5	0	44	59	6	44	220	18	25%
<b>Total affordable</b>	<b>16</b>	<b>39</b>	<b>106</b>	<b>123</b>	<b>51</b>	<b>60</b>	<b>57</b>	<b>38</b>	<b>127</b>	<b>102</b>	<b>28</b>	<b>129</b>	<b>876</b>	<b>73</b>	<b>100%</b>

\* 2017/18 figures are projections

3.3. Table 1 indicates that 876 affordable homes have been provided over the plan period to date. Affordable housing provision has been below the anticipated level (an average of 73 rather than 100 affordable dwellings a year). This has been during a period, however, when there has been reduced housing provision generally, with some delays to major schemes.

<sup>12</sup> “**Affordable rented housing** is let by local authorities or private registered providers of social housing to households who are eligible for social rented housing. Affordable Rent is subject to rent controls that require a rent of no more than 80% of the local market rent (including service charges, where applicable).” (NPPF, Annex 2, Glossary)

“**Intermediate housing** is homes for sale and rent provided at a cost above social rent, but below market levels subject to the criteria in the Affordable Housing definition above. These can include shared equity (shared ownership and equity loans), other low cost homes for sale and intermediate rent, but not affordable rented housing.” (NPPF, Annex 2, Glossary)



Future delivery is expected to increase as major schemes, including strategic sites allocated in the Core Strategy, start to be delivered on site.

3.4. Affordable homes have been delivered through:

- Section 106 agreements – secured as a proportion of market housing developments through Core Strategy policies; and
- Direct provision – provided by registered providers and the Council as part of their own development projects, including affordable homes secured through commuted sum payments.

3.5. Analysis of developments over the past six years (from 2012/13) shows that:

- 37 per cent of affordable homes (178 in total) have been provided through Section 106 agreements as part of market developments. This is an average of 30 homes a year, two thirds of which have been shared ownership; and
- 63 per cent of affordable homes (303 in total) have been provided directly by registered providers and the Council. This is an average of 50 homes a year, 84 per cent of which have been affordable rented properties.

#### **Affordable housing tenure**

3.6. Table 1 shows that of the 876 affordable homes delivered from the start of the 2013 Core Strategy plan period, a greater proportion of affordable rented homes has been provided than anticipated (75 per cent rather than 60 per cent identified by the Core Strategy), with a corresponding smaller proportion of affordable homes of intermediate tenure (25 per cent rather than 40 per cent). Over the last four years, however, the delivery of intermediate affordable homes for shared ownership has increased to approximately 36 per cent of all additional affordable homes provided in the district. It is likely that this trend will continue in future years as registered providers increasingly deliver homes for shared ownership purchase in the district, and as a greater number of homes are delivered as part of market developments as major schemes start on site.

#### **Sizes of new homes**

3.7. Table 2 shows the sizes of new dwellings of all tenures, including market housing, by number of bedrooms, for the previous six monitoring years. 40 per cent of new homes have been three bedrooms or larger in size, compared to the 2013 Core Strategy target of 50 per cent. There has been a correspondingly larger proportion of smaller homes delivered: 60 per cent of new homes have been one to two bedrooms in sizes, rather than the target of 50 per cent. The proportion of larger homes is expected to increase, however, as larger schemes with family homes come forward, including at Shorncliffe Garrison, the former Nickolls Quarry and at Sellindge.

	<b>2010/11</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>	<b>Total</b>	<b>Percentage</b>
1-2 bedroom	84	93	147	93	265	161	843	60%
3 bedroom and larger	48	114	59	82	83	181	567	40%
<b>Total</b>	<b>132</b>	<b>207</b>	<b>206</b>	<b>175</b>	<b>348</b>	<b>342</b>	<b>1,410</b>	<b>100%</b>

#### **4. Strategic Housing Market Assessment 2016/17**

- 4.1. This section summarises housing needs information from the new Strategic Housing Market Assessment (Peter Brett Associates, 2016/17).
- 4.2. The SHMA Part 1 – Objectively Assessed Need (PBA, March 2017) identifies that in total, across all tenures including market housing, there is a need for an additional 633 homes a year for the period 2014/15 to 2036/37 (paragraph 8.21).
- 4.3. The SHMA Part 2 – Objectively Assessed Need for Affordable Housing (PBA, December 2016) sets out detail on housing needs broken down by size (number of bedrooms) and tenure. This takes into account updated information on housing needs and data on recent completions to identify new targets to inform planning policy.

##### **Affordable housing provision**

- 4.4. Part 2 of the SHMA provides an assessment of: the current unmet need for affordable housing; projected future need; the current affordable housing supply; and the supply likely to arise from turnover in the existing affordable stock. From this the SHMA estimates that 139 new affordable dwellings are required each year (paragraph 5.29); an increase of 39 dwellings a year on the 100 affordable dwellings anticipated by the 2013 Core Strategy. Expressed as a proportion of the total 633 new dwellings required a year, this equates to a need for 22 per cent of all new homes in the district to be affordable.

##### **Affordable housing tenure**

- 4.5. Figure 7.1 of the SHMA Part 2 sets out the need for homes by tenure over the period 2014/15 to 2036/37 (23 years). This identifies that 15 per cent of all new homes should be social rent/affordable rent and 6.6 per cent of all new homes should be shared ownership. This equates to approximately 95 social rented/affordable rented homes a year and 42 shared ownership homes a year; proportionally this is approximately 70 per cent social rent/affordable rent to 30 per cent shared ownership. This represents a

change from the current Core Strategy proportion of 60 per cent social rented to 40 per cent intermediate (shared ownership) tenures.

### **Sizes of new homes**

- 4.6. The new SHMA sets out significant further detail on the sizes of homes needed by number of bedrooms, broken down by owner occupation, private rented, shared ownership and social rented/affordable rented tenures (SHMA Part 2, Tables 4.4-4.7). Across all tenures, the need for homes of one to two bedrooms is around 44 per cent and the need for homes of three bedrooms or larger is around 56 per cent of the total. This represents an increase in the need for larger homes to that set out in the 2013 Core Strategy, where the target is for 50 per cent of all homes to be three bedrooms or larger.

## **5. Draft Core Strategy Review (Regulation 18 Consultation)**

- 5.1. This section summarises how the findings of the 2016/17 SHMA have been translated into policy requirements in the Core Strategy Review (Regulation 18 Consultation).
- 5.2. Regarding general housing provision, revised Policy SS2: Housing and the Economy Growth Strategy requires the delivery of 633 new homes a year on average over the period 2018/19 to 2036/37, a total requirement of approximately 12,030 homes over the 19 year plan period. These new homes will come from a number of sources, including: existing planning permissions; remaining allocation in the 2013 Core Strategy; allocations in the emerging Places and Policies Local Plan; strategic allocations in the Core Strategy Review; and an allowance made for 'windfall' developments (smaller sites of one to four dwellings).

### **Affordable housing provision**

- 5.3. As outlined in Section 4, the newly identified affordable housing need is 139 homes a year. Taking the Core Strategy Review plan period of 19 years (2018/19 to 2036/37), this equates to a total of approximately 2,640 affordable homes.
- 5.4. Affordable housing, including affordable rent/social rent and shared ownership, will be delivered from a number of sources:
- As a proportion of market developments secured under existing planning policies (sites currently with planning permission and sites granted permission before the Core Strategy Review is adopted);
  - As a proportion of market developments secured under Core Strategy Review policies (following adoption of the plan); and
  - Through direct provision by registered providers and the Council through their own affordable housing schemes, including homes secured through commuted sum payments from market developments where provision is not made on site.

### Provision under existing policies

5.5. An estimate has been made of the number of homes likely to come forward on sites above the affordable housing threshold through existing permissions and allocated sites in current plans (Table 3 below). A range of affordable housing provision is given from 22 to 30 per cent; this is to allow for:

- Delivery falling below the current 30 per cent target, due to problems of development viability restricting the ability to deliver the affordable housing policy requirement. (Analysis has shown that delivery over the 2013 Core Strategy period has been on average below 30 per cent, particularly on larger sites, and this is often down to competing infrastructure demands affecting overall viability.); and
- Some delivery to take place after new policies have been adopted when a different percentage requirement would apply.

Provision through sites granted permission after adoption of the Core Strategy Review

5.6. An estimate has been made of the number of homes likely to be built as part of the strategic developments in the Core Strategy Review; these comprise the new garden settlement in the North Downs Area (Policies SS6-SS9) and the expansion of Sellindge (revised Policy CSD9). The affordable housing contribution within these policies has been set at 22 per cent of total provision, following the findings of the housing need analysis in the new SHMA (Section 4 of this appendix).

Direct provision by the Council and registered providers

5.7. An allowance of 50 homes a year has been made for affordable homes delivered by registered providers and the Council directly through their own developments. The initial years have been discounted to avoid any double-counting with existing planning permissions.

5.8. Table 3 shows that a range of affordable housing provision of between 2,430 and 2,845 can be anticipated to be secured through Section 106 agreements if the new SHMA proportion of 22 per cent of provision is applied to the strategic developments in the Core Strategy Review. This indicates that the target of 139 new homes a year, or 2,640 over the plan period, is likely to be met solely through Section 106 delivery.

5.9. Factoring in an allowance for direct provision at the current average rate over the plan period gives some confidence that the affordable housing target will be exceeded, with totals of between 3,280 and 3,295.

<b>Table 3: Estimated affordable housing provision over Core Strategy Review plan period</b>			
<b>Source</b>	<b>Total number homes over plan period</b>	<b>Proportion affordable homes</b>	<b>Estimated affordable homes</b>
Planning permissions above affordable housing threshold	3,700	22-30%	815-1,110
Existing allocations above affordable housing threshold (Local Plan and 2013 Core Strategy)	1,498	22-30%	330-450
Core Strategy Review – New garden settlement North Downs Area (Policies SS6-SS9)	5,500	22%	1,210
Core Strategy Review – Sellindge expansion (Policy CSD9)	350	22%	75
			<i>Sub-total 2,430–2,845</i>
Allowance for direct provision for 17 years of plan period at 50 homes a year	850	100%	850
			<b>Total 3,280–3,695</b>

5.10. No allowance is made for the provision of affordable homes through commuted sums in Table 3 to avoid double-counting with provision anticipated through market schemes. Since 2009/10, the Council has received off-site affordable housing contributions totalling £2,780,866 of which approximately £1.3m has been committed and which has facilitated the delivery of 23 additional affordable homes (16 of these are currently under construction and are due to be completed by the end of January 2018).

5.11. The updated affordable housing position is reflected in amendments to the Core Strategy in policies:

- CSD1: Balanced Neighbourhoods for Shepway;
- CSD2: District Residential Needs;
- SS6: New Garden Settlement – Development Requirements requires provision of housing in line with Policies CSD1 and CSD2; and
- CSD9: Sellindge Strategy requires the provision of 22 per cent affordable housing, subject to viability.

#### Affordable housing tenure

5.12. As outlined in Section 4, the SHMA has identified the need for a reduced proportion of shared equity properties and an increased proportion of affordable rented/social rented homes as part of the delivery of affordable homes over the plan period. This is reflected in revised wording in Policy CDS1: Balanced Neighbourhoods for Shepway, which states:

*“For development proposing 15 or more dwellings, as a starting point approximately 30 per cent of the affordable housing provision shall be*

*shared equity and 70 per cent affordable rent/social rent. For sites under this threshold, the proportion of affordable housing tenures will be negotiated on a site-by-site basis.”*

### Sizes of new homes

5.13. As outlined in Section 4, the SHMA identifies that across all tenures there is a need for an increased proportion of larger homes (three bedrooms and above). As the SHMA identifies that needs vary significantly between tenures, this has not been expressed as a single requirement for all new homes in the Core Strategy Review, but has been reflected in separate targets for different tenures. Revisions to Policy CSD2: District Residential Needs therefore state:

*“... the supply of homes will be managed and monitored to meet the following proportions in terms of the sizes of new dwellings:*

<b>Tenure</b>	<b>One bed</b>	<b>Two bed</b>	<b>Three bed</b>	<b>Four bed+</b>
<i>Owner occupied</i>	5%	28.5%	39%	27.5%
<i>Private rented</i>	20%	32%	31%	17%
<i>Shared ownership</i>	22%	29%	28%	21%
<i>Social rent/ affordable rent</i>	24%	16%	36%	24%

## **6. Conclusions**

6.1. In conclusion:

- The findings of the new SHMA have been reflected in amendments to 2013 Core Strategy policies in drafting the Core Strategy Review;
- The proportion of shared ownership to social rented/affordable rented tenures has been amended in light of this evidence to require increased provision of social rented/affordable rented homes;
- The requirement for sizes of new homes has been amended, giving greater detail for the different tenures. Overall this would result in a slightly increased proportion of larger homes of three bedrooms and above;
- An increase in the provision of affordable homes is planned, from 100 to 139 dwellings a year over the plan period. However, given the large increase in the identified need for all homes (market and affordable) from 350 to 633 a year, this represents an overall reduction in the proportion of the affordable requirement from 30 to 22 per cent; and
- The target for the delivery of affordable homes is 2,640 over the plan period. It is anticipated that this can be met as part of market developments, secured through Section 106 agreements. Affordable homes will also continue to be delivered by registered providers and the Council, giving additional confidence that the target can be met and is likely to be exceeded.

6.2. These policy requirements will be monitored as the Core Strategy Review progresses. Consultation on the Regulation 18 plan will allow individuals and

organisations to comment on the policies. Plan policies will also be subject to viability assessment as part of the 'whole plan viability assessment' required by national guidance, where the policy requirements for affordable housing will be quantified alongside developer contributions for infrastructure, open space and social and community facilities. Following this, amendments may then be required for the Regulation 19 consultation before the plan is then tested at examination by the planning Inspector.

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## Appendix 7: Core Strategy Review Timetable

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