HEARING STATEMENT

MATTER 04 – SUPPLY OF HOUSING

30 MAY 2019

WEALDEN DISTRICT
LOCAL PLAN EXAMINATION

Prepared on Behalf of
Wealden Homes
[Representor Id – 1199789]

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<table>
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<tr>
<th>Project Ref:</th>
<th>29505/A5</th>
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<tr>
<td>Status:</td>
<td>FINAL</td>
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<tr>
<td>Issue/ Rev:</td>
<td>01</td>
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<tr>
<td>Date:</td>
<td>07 May 2019</td>
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<tr>
<td>Prepared by:</td>
<td>Joshua Mellor</td>
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<td>Andrew Wilford</td>
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<td>Authorised by:</td>
<td>Andrew Wilford</td>
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1.0 INTRODUCTION

1.1 This Hearing Statement has been prepared on behalf of Wealden Homes in respect of Matter 04 relating to Supply of Housing.
2.0 RESPONSE TO MATTER 4 - SUPPLY OF HOUSING

Issue 1 - Is the Council’s approach to its housing supply, justified, effective and consistent with national policy?

Question 58 - Is reliance on the scale of windfall housing predicated within the LP being delivered, realistic, justified and consistent with national policy? In particular, how have the Core Areas been determined? How does the projected contribution from windfall housing compare with recent housing delivery? Is it appropriate to rely to such an extent on windfall housing rather than the allocation of housing sites within a plan led system?

Windfall

2.1 Section 4 of the Local Plan (CD A1), Spatial Objective 1 - Housing, provides a breakdown of the proposed components of housing supply, consisting of:

- Completions - 2,421 dwellings;
- Extant Consents - 5,279 dwellings;
- New Allocations - 4,012 dwellings; and
- Windfall - 2,516 dwellings.

2.2 The Plan is heavily reliant on windfall provision, making up 17.7% of the Council’s total supply for the plan-period. Discounting sites with consent and completion, windfalls account for 38.5% of the ‘new’ identified supply (i.e. new allocations and windfall).

2.3 The Authority Monitoring Report 2017/18 (AMR, CD H10) provides an update to the Plan figures, up to March 2018, noting (at para 5.24):

- Completions - 2,674 dwellings;
- Extant Consents - 5,288 dwellings;
- Allocations - 4,012 dwellings; and
- Windfall - 2,254 dwellings.

2.4 The change in the level of completions and extant consents (totalling 7,962 dwellings up from 7,700) is attributed to new planning permissions totalling 262 dwellings between September 2017 and April 2018. Paragraph 5.25 identifies these as windfalls with the corresponding Plan windfall figure above updated as such. The level of windfall provision remains high at 15.8% of total supply and 36.0% of future supply.
Paragraph 5.25 confirms that windfalls are not taken into account for the first 3no. years of the Plan (as extant planning permissions are known at this stage). The level of windfall development therefore equates to **322 dwellings per annum** over the remaining 7no. year Plan period.

Annex 2 of the AMR details the scale of windfall development delivered in the District over the period 2006/07 – 2017/18 and replicated in Table 1 below:

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Windfalls</th>
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<tbody>
<tr>
<td>2006/07</td>
<td>230</td>
</tr>
<tr>
<td>2007/08</td>
<td>415</td>
</tr>
<tr>
<td>2008/09</td>
<td>265</td>
</tr>
<tr>
<td>2009/10</td>
<td>157</td>
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<tr>
<td>2010/11</td>
<td>358</td>
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<tr>
<td>2011/12</td>
<td>224</td>
</tr>
<tr>
<td>2012/13</td>
<td>244</td>
</tr>
<tr>
<td>2013/14</td>
<td>200</td>
</tr>
<tr>
<td>2014/15</td>
<td>204</td>
</tr>
<tr>
<td>2015/16</td>
<td>235</td>
</tr>
<tr>
<td>2016/17</td>
<td>308</td>
</tr>
<tr>
<td>2017/18</td>
<td>198</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>3,039</strong></td>
</tr>
</tbody>
</table>

On average, the Council has delivered 253 dwellings per annum as windfall. The Council has only exceeded 322 dwellings per annum as windfall on 2no. occasions, neither of which are in the proposed Plan period.

The Council is over-reliant on windfall sites to meet its housing needs across the Plan period and past evidence demonstrates it is likely to underdeliver against these requirements.

Furthermore, the opportunities for windfall development are artificially constrained by the Council’s approach to allocating specific levels of windfall development to defined Middle Super Output Areas (MSOA) across the District as set out in Policy WLP 7.

This irregular approach controls where windfall development would be acceptable with no policy mechanism allowing flexibility between MSOAs. No evidence has been provided to demonstrate how specific windfall levels will be achieved within each MSOA.
‘capacity’ may be fully utilised within certain MSOAs within the first few years of the Plan post adoption, whilst other MSOA capacity may not get utilised at all.

2.11 The Council’s current approach to windfall poses a significant risk to housing requirements not being met across the Plan period. The current approach is not justified and not effective, and the Plan therefore not sound.

2.12 The Council can rectify this, ensuring an effective and justified approach to delivering housing growth requirements, through the allocation of suitable and deliverable sites (i.e. not windfall). This will provide certainty in regards to the location of development (and therefore a more robust and thorough understanding of traffic movements upon the Ashdown Forest arising from future housing growth), reduce risk of windfall provisions not being delivered and ensure other policy requirements (i.e. affordable housing) are delivered in these locations.

2.13 As detailed in our Regulation 19 representations, Wealden Homes controls land at Cadence, Punnetts Town which has been demonstrated as a suitable and deliverable site for housing growth in a location with an identified windfall allowance. This land should be allocated to reduce the Council’s reliance on windfall development.

Core Areas

2.14 The Council has identified a number of Core Areas where capacity for up to 50 dwellings has been identified. Paragraph 6.12 of the Local Plan (CD A1) confirms these areas have been identified in accordance with the National Planning Policy Framework to permit organic and small scale growth for the smaller settlements. Further, Paragraph 27.1 confirms the Core Area settlements have been identified for some limited growth to help meet local housing need, encourage economic growth and sustainability and allow the retention of the vitality and vibrancy of the area.

2.15 Paragraph 6.13 notes:

There is a difference in the way in which development boundaries and Core Areas have been defined. Development boundaries capture a large urban area and in many cases the boundary is greater than the urban area to encompass allocations or to provide flexibility for large scale windfalls. Core Areas identify the heart of the settlement to ensure that development is delivered in close proximity to the centre whilst allowing for organic growth within and adjacent to the Core Area.
2.16 Table 3 (page 413) of the Plan lists the 35no. rural settlements with Core Areas. As set out in the Settlement Hierarchy (Table 1) contained within the Plan, this includes a mix of settlement sizes, ranging from a ‘Large Village - type 2’ (Frant) to a Neighbourhood Settlement. The settlement hierarchy acknowledges that all these settlements have an element of facilities of varying degrees.

2.17 The use of Core Areas to allow some limited growth to assist in meeting local housing need and enhance the vitality of rural communities is supported by Paragraph 55 of the NPPF 2012:

To promote sustainable development in rural areas, housing should be located where it will enhance or maintain the vitality of rural communities.

2.18 We support the identification of Core Areas and the acknowledgement that some housing growth in these areas is acceptable. However, the current Core Area policy requirements as set out in Policy RAS 1 and WLP 5 are not positively prepared, effective or justified. The remainder of this section discusses this in more detail, however in summary:

- No justification is provided for restricted development size;
- The restricted development size enables piecemeal development to the potential detriment of settlement character;
- An inappropriate dwelling mix is proposed which is not supported by the Council’s evidence base or the requirements of Policy HG 9;
- The Council’s Viability Study tests housing mixes of 3 and 4-bed dwellings, at odds with the Policy requirements of RAS1; and
- The overly restrictive policy results in zero affordable houses delivered in the Core Area locations.

2.19 Policy WLP 5 (Core Areas) requires:

Within and adjacent to Core Areas, limited, small scale, scattered development may be acceptable subject to other policies contained within the development plan and in particular Policies WLP7, AF1, AF2 and RAS1.
Policy RAS 1 (Core Areas) identifies that development will only be permitted up to the settlement capacity identifies for each Core Area. Different policy requirements are set out depending on the proposed settlement capacity, as detailed in table 1 below.

<table>
<thead>
<tr>
<th>Settlement Size</th>
<th>RAS 1 Policy Requirement</th>
</tr>
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<tbody>
<tr>
<td>Up to 20 dwellings</td>
<td>Development up to 2 dwelling/live work units. Units must be small scale with 1 or 2 bedrooms.</td>
</tr>
<tr>
<td>21 – 40 dwellings</td>
<td>Development up to 5 dwelling/live work units. Units must be small scale with 1 or 2 bedrooms.</td>
</tr>
<tr>
<td>41 – 50 dwellings</td>
<td>Development up to 10 dwelling/live work units. Units must be small scale with 1 or 2 bedrooms.</td>
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Policy RAS 1 therefore introduces a significant and unjustified restriction on the scale of proposed developments within Core Areas.

This overly restrictive policy enables piecemeal development within these rural settlements, in some cases resulting in 5 – 10 individual developments within relatively small and contained area. This results in poorly planned growth which significantly risks detrimental impacts upon settlement character in contrast to the emphasis contained within the NPPF to improve character and quality of areas.

Further, Policy RAS 1 restricts development to only 1 or 2 bed dwellings. Whilst the Strategic Housing Market Assessment (CD H3) establishes a need for smaller unit sizes to rebalance the housing stock within the District, there is no evidence to suggest there is zero need for larger units, especially within smaller settlements which tend to be more rural in nature. In fact the Strategic Housing Market Assessment evidence confirms the opposite, identifying an indicative size-specific distribution for future market housing in Wealden (at para 10.98) of:

- 1 bedroom – 5 to 10%;
- 2 bedrooms – 40 to 45%;
- 3 bedrooms – 30 to 35%;
- 4 bedrooms – 10 to 15%;
- 5+ bedrooms – 0 to 5%.

Based on this, plus our knowledge and experience of the area, it is clear there is a continued demand for larger units which would not be achieved through the current requirements of Policy RAS 1. In this regard, the policy is unjustified and ineffective.
This approach is also not supported by the Council’s Viability Study (CD A34) which reviews the viability of Core Areas on the basis of development providing 3 and 4 bed dwellings at odds with the requirements of Policy RAS 1.

The requirement for Core Area developments to be 1 and 2 bed units has therefore not been justified or shown to be effective by the Council’s evidence base.

Policy RAS 1 should be modified to remove the prescriptive housing mix requirement. Policy HG 9 (Housing Mix) provides a policy basis for assessing housing mix which already seeks to ensure a shift towards smaller unit sizes. There is no justification for requirement Core Area developments to diverge from this policy basis.

Policy HG2 (Provision of Affordable Housing) identifies affordable housing to be provided on sites of 6no. dwellings or more in the High Weald Area of Outstanding Natural Beauty or 11 dwellings or more on all other sites within the District. For developments between 6 and 10 dwellings within the AONB, obligations will be sought in the form of commuted cash payments.

As detailed in Table 1 above, only settlements with a capacity of 41 dwellings or more are identified to accommodate developments of 6 to 10 dwellings. Policy RAS 1 therefore does not allow any development to come forward which exceeds the 10 dwelling threshold where on-site affordable housing is required.

Of the 4no. settlements with a capacity in excess of 40no. dwellings, 3no. are located within the AONB (Broad Oak, Frant and Windmill Hill). Whilst subject to the lower 6no. dwelling affordable housing threshold, development is restricted to up to 10 dwellings (in line with Policy RAS 1) which would therefore result in obligations being provided in the form of commuted cash payments.

In total, policy RAS 1 identifies a settlement capacity of all Core Areas of 759 dwellings, of which a 433 dwelling windfall allowance remains. As a result of the overly restrictive approach of RAS 1, there will be zero affordable houses delivered in the Core Area locations. This represents a significant lost opportunity to delivery up to 150 affordable homes (35% of 433 dwellings) in these rural locations.

The policy is therefore inconsistent with the requirements of para 54 of the NPPF 2012 which confirms, in rural areas:

**Local planning authorities should be responsive to local circumstances and plan housing development to reflect local needs, particularly for affordable housing**
2.33 The local needs for affordable housing is established in the Council’s Strategic Housing Market Assessment (CD H3) which identifies a significant overall affordable housing need for the District of 331 affordable dwellings per annum.

2.34 The failure to address affordable housing need and essential remove the potential for this to be delivered in the rural area is a significant failing on the Plan which results in Policy RAS 1 being not positively prepared, consistent with national policy or effective.

2.35 To enable a Sound policy, we propose the following modification to Policy RAS1 which would address its highly restrictive nature and instead provide a policy which is positive, consistent with the thrust of national policy and effective in permit suitable small scale growth of rural settlements whilst addressing affordable housing needs in these areas (bold where text added, strikethrough were removed):

**Policy RAS 1 - Core Areas**

Development will only be permitted within and adjoining Core Areas, identified within this policy, up the the settlement capacity identified for each Core Area and subject to Policies WLP 7 and AF1. The settlement capacity may only be exceeded if development is on suitable brownfield land, in accordance with Policy WLP 10. Any brownfield land development that takes place in accordance with this policy will count towards development for the purpose of considering whether the settlement capacity has been met.

Settlements identified with a settlement capacity up to 20 dwellings may, subject to Policy WLP 7 and AF1, accommodate small individual housing developments of up to 2 dwellings/live work units, within and adjacent to the Core Area. These dwellings/units must be small scale with 1 or 2 bedrooms. Development should come forward that responds appropriately to the settlement character. Permission will be subject to design policies, policies that protect the environment and the prevention of coalescence of new development within and adjacent to Core Areas.

Settlements identified with a settlement capacity between 21 and 40 dwellings may, subject to Policy WLP 7 and AF1, accommodate small individual housing development of up to 5 dwellings/live work units, within and adjacent to the Core Area. These dwellings/units must be small scale with 1 or 2 bedrooms. Permission will be subject to certain design policies,
policies that protect the environment and the prevention of coalescence of new development within and adjacent to Core Areas.

Settlements identified with a settlement capacity between 41 and 50 dwellings may, subject to Policy WLP 7 and AF1, accommodate small individual housing developments of up to 10 dwellings/live work units, within and adjacent to the Core Area. These dwellings/units must be small scale with 1 or 2 bedrooms. Permission will be subject to certain design policies, policies that protect the environment and the prevention of coalescence of new development within and adjacent to Core Areas.

[Remaining Policy RAS 1, Settlement Capacity and Windfall Development for Core Areas, as per draft Local Plan]

2.36 Policy WLP 5 should be similarly amended including removal of the need for development to be “scattered” which is not justified or defined. It is unclear how development could be scattered when it is expected to be within/adjoining to and well-related to the existing village core (strikethrough were text removed):

Policy WLP 5 - Core Areas

Within and adjacent to Core Areas, limited, small scale, scattered development may be acceptable subject to other policies contained within the development plan in particular Policies WLP7, AF1, AF2 and RAS 1.