

MAIDSTONE BOROUGH LOCAL PLAN EXAMINATION

<http://www.maidstone.gov.uk/residents/planning/local-plan/examination>

SESSION 1B –HOUSING NEEDS (1)

Deadline for Statements: Thursday 15th September.

Please refer to the Inspector's Procedural Guidance Notes for information on the provision of hearing statements.

Inspector's Agenda with Matters, Issues, and Questions

1. Introduction

- 1.1. The National Planning Policy Framework at paragraph 47 provides amongst other things and in summary, that to boost significantly the supply of housing local planning authorities should
 - *'Use their evidence base to ensure that their Local Plan meets the full objectively assessed needs for market and affordable housing in the housing market area, as far as is consistent with policies set out in this Framework, including identifying key sites which are critical to the delivery of the housing strategy over the plan period'.*
- 1.2. This hearing session is concerned only with the level of objectively assessed needs and specifically with the representations of those who consider that the assessed need for 18,560 dwellings is too high. Later sessions will consider the representations of those who consider that the assessed need is too low, and then how the Council is proposing to meet the level of need having regard to any constraints that may exist and to any relevant policies in the Framework.

Issue (i) Whether the objective assessment of housing need should be reduced because of a claimed previous over-supply of housing

- 1.3. National Guidance on the assessment of housing needs is contained mainly in Section 2 of the PPG: '*Housing and Economic Development Needs Assessments*'. However some Representors have also pointed to paragraph

3-036-20140306 in Section 3 'Housing and Economic Land Availability Assessment'. This states

'The housing requirement is set at the starting point of the plan, which can be earlier than the date the plan is adopted. For a plan to be found sound it would have to be based on an objectively assessed need for housing. In assessing this need, consideration can be given to evidence that the Council has delivered over and above its housing need in previous years.'

Household projections are based on past trends. If a Council has robust evidence that past high delivery rates that inform the projections are no longer realistic – for example they relied on a particular set of circumstances that could not be expected to occur again – they can adjust their projections down accordingly.'

- 1.4. The South East Plan sought to redistribute overall housing supply across the region such that the targets for each local planning authority lpa would not necessarily have reflected local needs in that area.
- 1.5. Some Representors suggest that a period of increased development on brownfield sites resulted in delivery above what were then lower housing targets in the South East Plan (554 dpa) and that this has distorted the household projections and the assessment of needs.
- 1.6. Some of this development may have occurred within the defined period of the submitted Local Plan which commenced in 2011.

Qn1.16 To what extent would past supply have influenced the household projections used in the Strategic Housing Market Assessment and should it be taken into account in these circumstances?

Qn1.17 If the past supply included high density flatted development in Maidstone, as suggested, has the supply of available land been reduced as claimed, or would this source of supply be replaced by conversions of offices and other redevelopment in the town centre such that the supply will be maintained or increased?

Issue (ii) Whether the assessment of housing needs is based on an appropriate Average Household Size

- 1.7. Some Representors suggest that the identified need for 18,560 dwellings would accommodate 40,000 to 50,000 extra people. However the SHMA Update 2015 [HOU 003] is based on a projected population increase of only 33,811 people (Table 5). The difference may relate to differences in assumed average household sizes.

- 1.8. CPRE suggests that the projected Average Household Size of 1.8 persons in the SHMA is incorrect because the decline in household size has been slowing since 2001 and has levelled off since 2005. An alternative figure of 2.3 persons per dwelling is suggested which would reduce the number of homes that are needed.
- 1.9. The SHMA [HOU 003] at paragraph 10.17 concluded that the reduced actual change in household size was evidence of the suppression of household formation and that it justified an increase in provision to avoid future suppression. The SHMA update 2015 [HOU 003] referred at paragraph 1.8 to a fall in household formation rates for younger households over the 2001-2011 period. This was linked to declining affordability.
- 1.10. New 2014-based household projections have recently been issued by the Government.

Qn1.18 Is the projection of Average Household Size realistic?

Qn1.19 Approximately how many people are expected to be accommodated in the dwellings that have already been (a) constructed or (b) committed since the start of the Local Plan period?

Issue (iii) Whether the assessment of housing needs should include its adjustment for housing affordability

- 1.11. Section 3 of the PPG advises that market signals are to be taken into account when assessing housing needs, including affordability.
- 1.12. The SHMA Update 2015 [HOU 003] concluded at paragraphs 1.7 to 1.15 that there is evidence of affordability pressures and that housing numbers should be increased to support stronger affordable housing delivery and stronger household formation amongst younger households. Supporting evidence is included elsewhere in the Report. At paragraph 8.18 the adjustment for Maidstone Borough amounts to an extra 25 dwellings per year which is said to take account of demographic evidence that there has been a greater degree of suppression of household formation amongst younger households (as compared to Ashford and Tonbridge & Malling). The intention is to return household formation levels for younger persons to those existing in 2001.

- 1.13. The Kent Association of Local Councils criticises the decision to increase the OAN to account for affordability. The examples cited by G L Hearn are said not to apply to MBC with 'no evidence either way'.
- 1.14. KALC refer to the Fordham Research SHMA in 2010 as indicating a need for only perhaps 10,000 new homes. That Report predated current national policy and guidance. The Executive Summary of that report includes no overall housing needs figure but does assess a need for affordable housing of about 1,000 dwellings per annum.

Qn1.20 Does KALC dispute the evidence on affordability in HOU 003 and if so why?

Qn1.21 What if any relevance does the Fordham SHMA in 2010 have to the submitted Local Plan?

Issue (iv) Whether employment trends are appropriately taken into account when assessing housing needs.

- 1.15. Paragraph 4.7 of the submitted Local Plan refers to economic evidence which concludes that 14,394 jobs are forecast to be created of which 7,933 will be in office, industry and warehousing.
- 1.16. KALC claims that there is mismatch between housing numbers and expected job growth which is said to create an imbalance as MBC is said not to be well placed for out-commuting.

Qn1.22 How does the assessment of housing needs relate to the anticipated number of jobs and to commuting patterns into and out of Maidstone Borough?

Issue (v) Whether the supply of windfall housing development is relevant to the assessment of housing needs

- 1.17. The allowance for windfall development is relevant to the calculation of how many units are needed to be allocated to provide an adequate housing supply. However KALC suggest that an increased allowance for windfall development would reduce the Objective Assessment of Housing Needs figure.

Qn1.23 Why would the windfall allowance affect the calculation of housing needs?

Issue (vi) What may be the contribution of local needs to the OAHN

- 1.18. Some Representors claim that 'Local Needs' account for only 25% of the Objective Assessment of Housing Needs.

Qn1.24 What is the basis of the claim that 'Local Needs' account for only 25% of the Objective Assessment of Housing Needs?

Issue (vii) Effect of the 2014 based household projections

- 1.19. Updated Household Projections have recently been published by the DCLG

Qn1.25 What are the implications for Maidstone of the latest Household projections?