



Issue 2: Are the spatial vision and objectives for Ashford sound having regard to achieving sustainable development and the trends and challenges in the Borough?

Issue 3 - Are the strategic objectives and the strategic approach to housing delivery and economic development delivery in terms of distribution and location sound having regard to the needs and demands of the Borough, national policy and Government objectives and the evidence base and preparatory processes? Has the Local Plan been positively prepared?

i) Is the strategy selected for the distribution of housing and economic growth, with the emphasis on Ashford town, justified compared to the reasonable alternatives? What is the proportion of development proposed in the urban and rural areas across the plan period? How sensitive are the rural areas to further growth?

1. The assessment of different strategies for the distribution of housing and economic growth was undertaken in the Sustainability Appraisal (SD02). Section 3.8 of the May 2016 Environmental Report considered four alternative strategies ranging from focusing all development in or on the periphery of Ashford to focusing significant development outside the urban area with the creation of a new settlement. Each of the alternatives were assessed against the 13 SA Objectives with the results shown in Table 11 of the Report.
2. The SA report at paras. 3.8.19 – 3.8.29 discussed the findings of the assessment against the objectives and concluded that the alternatives that focused most development in or around the Ashford urban area had the most beneficial effects on the SA objectives and, on balance, alternative 4.2, which sought to focus the focus a large majority of development in and on the periphery of the Ashford urban area supported by proportionate growth in Tenterden, the rural service centres and other villages, was the preferred strategy for the distribution of new development.
3. In preferring this strategy, the SA highlighted clear advantages over the alternatives that focused larger amounts of development in the rural parts of the borough. In particular, the six SA objectives that related to landscape and townscape quality; accessibility to services and facilities; the encouragement of modal shift and connectivity; relationship to current and future infrastructure requirements; the efficient use of land; and the facilitation of economic growth and employment opportunities, all showed a significant advantage for the alternative strategies that focused most development at Ashford itself.

4. The SA Report then went on to consider the options for development in and around the Ashford urban area. Section 3.9 of the SA Report considered three alternatives based on growth to the north-west of the town; growth to the south of Ashford; and a more distributed pattern of development. Again, these alternatives were assessed against the 13 SA objectives in Table 12 of the report and it was concluded that the third option (dispersed distribution) was the most sustainable.
5. Alongside the Main Changes consultation in 2017, the Council also prepared and consulted on an Addendum to the SA Report (July 2017). This reviewed the outcome of the main SA report by assessing the effects of additional housing allocations in the rural areas of the borough to ensure that this would not significantly affect the preferred strategy for development in the Local Plan.
6. Whilst acknowledging that more housing development in the rural areas presents a risk in relation to some of the SA objectives, the Council also recognised the need to provide for both more housing overall (as a result of the updated SHMA) and address concerns over short term housing delivery given the inability at that stage to be able to demonstrate a five year housing land supply. This led to the large majority of additional allocations being located in the rural parts of the borough but with the focus being on the proportionately larger allocations being related to locations at or near rural service centres or along the A20 corridor between Ashford and Charing where accessibility is good and proximity to main services is relatively high.
7. The overall approach to the distribution of housing and economic development in this Plan is substantially consistent with the widely acknowledged and accepted model of development for the borough that has formed the basis for Local Plans in the borough over the last 30 years. The Core Strategy approach was of course influenced by the regional planning strategy of the time and Ashford town's designation as a regional growth centre. It represented a magnified version of previous growth strategies based on the sustainability credentials of the Ashford urban area and the desire to retain the character of the wider countryside and the many attractive and historic settlements that lie within it. It is notable that it was not the whole of the borough that was designated as regional growth area but that entirely different strategies were adopted for the urban area and the rural areas with separate housing targets (policy CS2 of the Core Strategy). This is discussed in the Housing Topic Paper (SD08) at paragraphs 36-38.
8. Since the adoption of the Core Strategy, Ashford town has seen major infrastructure improvements at M20 Junction 9 and the associated Drivers roundabout to the west of the town and is now seeing the improvements to Junction 10/10a and the A2070 coming forward. Crucially, Ashford's traditional role as a rail hub has also been strengthened by the introduction of domestic services on High Speed 1 to central London in 2009. The reduction of the rail journey to the capital to 38 minutes (via the huge new redevelopment areas at Ebbsfleet and Stratford) coupled with its place on the International Rail network to mainland Europe makes the town almost uniquely connected outside the major conurbations. This can only serve to increase the town's sustainability.
9. The sensitivity of the rural parts of the borough to additional development has been considered in the SA. There are nationally designated areas (two AONBs, SSSIs, etc) that act as a natural constraint to development but the sensitivity of the character and beauty of non-designated countryside to significant growth should not be underestimated, as it is the wider character and beauty of the countryside and the villages that sit within it that creates the attractive environment that is characterised as the 'Garden of England'. Significant additional growth here, at least in many areas, risks

undermining those qualities and character.

10. The nature of the rural areas of the borough means that most higher order services are provided in Ashford, or to a lesser extent, Tenterden. Inevitably, access to such services will for most residents be via the private car. Significant increases in the rural population through new development will place both added pressure on the limited services available but also greatly add to the need for use of the private car, contrary to the aims of the NPPF.
11. If the peripheral allocations around Ashford are considered 'urban', as they should be, then the proportion of all development identified in the Plan / housing trajectory (excluding windfalls) in rural areas is around 15%. Policy SP2 identifies the urban / rural split for allocations that are either 'new' in this Local Plan or rolled forward from existing non-started allocations (i.e. the 6,749 figure in Table 1 of the Submission Plan), the proportion of housing allocated in rural locations is c. 23%. If only 'new' allocations are counted, the equivalent proportion in rural areas is approximately 24%.

ii)	Is the plan period of sufficient length to ensure the delivery of the strategic objectives?
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12. Yes. The Council believes that the period to 2030 is adequate for the delivery of the strategic objectives and vision in the Plan. It is acknowledged that there is a risk that external factors may exert an influence on this (wider macro-economic fluctuations, the effects of any eventual Brexit 'deal' between the UK and EU, etc) but the Plan contains flexible policies and a significant housing buffer that can help to ameliorate such factors locally if they arise. Key infrastructure such as M20 Junction 10a is now being delivered and so there are no key constraints to growth coming forward, whilst there is now clear evidence on the ground, especially in Ashford town centre, that previously stalled aspects of the local housing market are now growing and diversifying.

iii)	Will the strategy satisfactorily and sustainably deliver the new development and infrastructure needed over the plan period?
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13. Yes. The Local Plan strategy reflects a mix of sites of different size and location within an overall model of sustainable development which has been robustly assessed through the evidence base that supports the Plan. Deliverability and developability have been assessed as appropriate through the SHELAA and the SA and viability has been assessed to ensure that there are no undue burdens within the Plan's polices that might prevent development coming forward, all in line with the NPPF and guidance.
14. Key infrastructure necessary to enable development to come forward, such as M20 Junction 10a, is designed and costed and now in the process of being delivered. Where site specific infrastructure is required, this has been fully considered and included in the relevant site policies. The Council has worked closely with its partners to identify where new services and facilities will be needed to mitigate the additional pressures arising from new development and this is set out at length in the Infrastructure Delivery Plan that accompanies the Local Plan.

iv)	In assessing the viability of the Local Plan and having regard to paragraph 173 of the NPPF has sufficient account been taken of all the relevant standards in the Plan and the future implications of CIL?
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15. Para 173 of the NPPF focusses on deliverability of the plan and requires that sufficient account is taken of the costs of policy requirements along with the normal development costs and mitigation, with competitive returns to a willing land owner and willing developer.

16. As part of the preparation of the Local Plan, the Council commissioned Three Dragons to assess the viability impact of then draft policies affecting development costs and this work is contained in the 2016 and 2017 viability studies jointly making up document SD09. The 2017 study used the same value and cost data as the 2016 work, but took account of the draft Local Plan main changes to affordable housing and accessibility policies. Overall, SD09 takes account of the cost of policy requirements along with the normal cost of development and mitigation as follows:

- The viability testing was based upon a residual value assessment, where the value of development net of the build, policy and other costs is compared to benchmark land values. The residual value approach is recommended by the guidance in Viability Testing Local Plans¹.
- The values for market housing use Land Registry price paid data along with consultation with estate agents active in Ashford Borough.
- The values of affordable housing are included in the modelling at the proposed rates and tenure mixes set out in the Local Plan. This information makes use of a survey of registered providers active in Ashford Borough.
- Cost allowances for development standards such as accessibility and water efficiency are included (using published cost estimates²), and the case study characteristics used in the testing include space standards, green space, parking and private amenity requirements. Larger sites include a proportion of self-build.
- Normal costs of development such as build costs, plot servicing, professional fees, finance and local mitigation are included in the viability testing. This is based upon sources such as BCIS as well as various inputs discussed with the development industry during the 2015 workshop³.
- Developer returns are built into the viability testing at standard risk-related rates. Developer returns were discussed during the 2015 workshop.
- Larger case studies include additional development allowances in recognition of the higher costs often associated with this scale of development. Strategic site infrastructure cost allowances were discussed during the 2015 workshop.
- The residual value of development is compared to benchmark land values, which are estimates of the value that a landowner will be incentivised to sell a site.

¹ Local Housing Delivery Group, 2012, Viability Testing Local Plans, page 25

² EC Harris for DCLG, September 2014, Housing Standards Review Cost Impacts

³ See workshop notes in Annex 1 in the 2016 and 2017 Viability Studies (SD09)

Benchmark land values were discussed during the 2015 workshop and are also reviewed in the Viability Studies⁴.

- The 2017 viability testing also indicates the 'headroom' on a per dwelling basis for additional infrastructure or s106 costs beyond that already included as policy compliant normal development costs.

17. Sections 2 and 3, along with Annex 2 in both the 2016 and 2017 Viability Studies (SD09) contain the assumptions used in the viability testing.

18. Through this testing, it has been established that the Local Plan 2030 does not apply policy burdens or obligations that would lead to development viability being threatened. Para 10 in the summary of the 2017 Viability Study (SD09) notes that overall the development proposed in the Local Plan is viable when tested against the Policy HOU1 requirements and that there is capacity to provide additional infrastructure in line with the Local Plan's wider policy requirements. This includes the two strategic sites (Court Lodge and Kennington). However, there are some types of development (e.g. flats in Ashford Town) where viability is weak but this is reflected in the Local Plan policy approach for development in that area.

19. It is accepted that the viability testing at this stage can only ever be a snapshot in time and that it applies a strategic approach to the issue of policy burdens, but the extensive and iterative nature of the work clearly ensures that sufficient account has been taken regarding viability.

20. In order to take account of individual site circumstances, outside the characteristics of the case studies in the viability testing, the Local Plan adopts a highly flexible approach to the issue of viability (SP5, HOU1, IMP2). It sets out that should viability evidence demonstrate that a site cannot meet all requirements, then either deferred contributions are triggered or certain infrastructure / obligations may be set aside where the benefits of delivering the development outweigh the harm. This flexible approach is already being successfully applied by the Council and has been for a number of years. Examples can be provided if required.

21. When the Council proceed with CIL in due course, then the Charging Schedule will take account of all the standards in the Local Plan in determining what levy can be supported without jeopardising development.

22. It is worth noting that the 2016 viability testing (SD09) was based upon the 2016 draft Local Plan requirements and at the time the approach was accompanied by a 2016 CIL Preliminary Charging Schedule. This proposed rates of between £30-£60/sq m where affordable housing is being provided (except in Ashford Town) and £75-200 sq m for smaller developments without affordable housing (except flats in Ashford Town). While some aspects of the Local Plan have been amended since 2016, many of the key requirements are the same and the principle remains that development is generally viable and able to contribute to infrastructure as well as providing affordable housing.

⁴ See Annex 3 in the 2016 and 2017 Viability Studies (SD09)

v)	In setting the strategic objectives and the approach to delivery has regard been had to the purposes of the Areas of Outstanding Natural Beauty within the Borough as required by Section 85 of the Countryside and Rights of Way Act 2000 and as explained in the PPG on Natural Environment? (ID-8-003-20140306)
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23. Yes. In accordance with Section 85 of the Countryside and Rights of Way Act 2000, which requires relevant authorities to have regard to the purpose of conserving and enhancing land in an AONB in exercising or performing any functions in relation to, or so as to affect, land in an AONB, the overarching Vision of the Local Plan (paragraph 3.11) commits the Ashford Local 2030 Plan to the conservation and enhancement of the two AONBs that fall within the boundary of Ashford Borough.

24. The Strategic Objectives (Policy SP1), which deliver the Plan’s Vision, form the basis for the Plan’s policy framework and provide the Plan’s core delivery principles, require all new development to conserve and enhance the Borough’s natural environment, including designated landscapes and biodiversity. Strategic objective SP1 b) underpins Policies ENV1 and ENV3b and all site policies affecting land in or affecting the Kent Downs or High Weald AONBs.

25. A Statement of Common Ground has been agreed between the Council and the Kent Downs AONB Unit. With regard to the strategic approach to delivery, the Statement includes confirmation that AONB Unit is satisfied that Policy ENV3b as amended addressed its concerns on this issue. (The High Weald AONB Unit did not make representations on the strategic objectives and the overarching policy approach to delivery).

vi)	Does the Local Plan plan positively for the infrastructure required across the Borough? Does the Local Plan make clear, for at least the first five years, what infrastructure is required, who is going to fund and provide it, and how it relates to the anticipated rate and phasing of development in line with the PPG on Local Plans (ID 12-018-20140306)? In particular, the Infrastructure Delivery Plan (SD10) identifies a need for additional provision in respect of education, waste water, health infrastructure, sports provision, strategic parks, green space and allotments. Where and how is that provision to be made?
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26. Please note, the response to this question should be read in conjunction with the Council’s response to Issue 11 which covers issues relating to transport infrastructure.

27. Yes, the Local Plan positively plans for infrastructure that is required to meet the needs of the development proposed. The Local Plan approach is informed by an extensive Infrastructure Delivery Plan (IDP, document SD10) which has been produced in tandem

with the Local Plan and in early consultation with local providers to understand their investment plans and critical dependencies.

28. The Local Plan is infrastructure led in that the majority of development utilises existing infrastructure, or infrastructure that is soon to be in place in response to extant commitments, many of which are under construction. Stakeholders support this principle as it represents the most sustainable and cost effective option and does not require significant levels of new infrastructure to be built in unsustainable locations. More details are provided in the Housing Topic Paper (SD08), see Section 3.
29. It should be noted that the Council has a strong track record of working with public stakeholders and partners, as well as developers, to ensure that new development is properly served by new or existing infrastructure. In recent years, a substantial amount of funding has been secured to aid the delivery of significant infrastructure, as expressed under Section 1 of the IDP.
30. With regards the first five years of the Plan, the IDP provides an itemised list of infrastructure projects in Section 3, the Infrastructure Delivery Schedule (IDS). It also sets out the intended delivery body, the anticipated funding amounts, where funding sources are already agreed and to what extent new development is directly reliant on its delivery. As the PPG recognises, there is less detail provided for the latter part of the plan period, as the providers are more uncertain about their requirements and the potential sources of funding to deliver them.
31. The Local Plan responds to this evidence by making explicit references to required infrastructure where it is necessary to do so. Examples include:
 - Policy S1 refers to the need for proportionate contributions towards the delivery of strategic parking provision in the town,
 - Policy S2 requires the delivery of a primary school on site,
 - Policy S3 provides for the expansion of Discovery Park, including the provision of additional areas of publically accessible open space as well as the delivery of a local centre and associated play facilities,
 - Policy S4 requires the delivery of community facilities on site,
 - Policy S12 secures contributions towards the provision, enhancement and maintenance of Victoria Park,
 - Policy S14 requires an extension to the green corridor along the eastern part of the site,
 - Policy S19 requires contributions to help deliver the vision for the nearby Conningbrook Lakes Country Park (one of two Strategic Parks),
 - Various policies include requirements for proportionate contributions towards the delivery of Junction 10a, improvements to the local road network, improvements to the bus service, contributions towards primary education, provision of new cycle and pedestrian links and ensuring connectivity to the local sewage network.
32. It should be noted that a range of significant infrastructure is also due to come forward as part of the Chilmington Green development, a 'garden suburb' of 5,750 currently being built that will be supported by four primary schools, a secondary school, significant amounts of open space and sports facilities, community buildings and health provision.
33. Although Chilmington Green falls outside the scope of the Local Plan, the infrastructure it intends to deliver is relevant as it will provide a range of facilities that are able to be enhanced or expanded when new development in the Local Plan comes forward, where it is justified to do so, for example through the application of policies COM2 – COM4.

Doing so utilises existing or planned infrastructure wherever possible, which is the most sustainable approach.

34. The Local Plan supplements the detailed approach with a range of policies that are relevant to the delivery of infrastructure, most notably under Section E (Community Facilities) and Section F (Implementation). Policies within these sections establish the requirement for development to meet its needs, as the community is established, and sets out that localised need should normally be provided on-site with wider needs targeted towards hubs (COM1 and COM2). This covers a range of provision, including sports, arts, community, voluntary sector, education and health, open space and play areas.
35. Policy IMP1 sets out that the Council's commitment to continue joint working with relevant service providers to ensure and secure infrastructure to support development as it takes shape. Policy IMP2 outlines the means through which funding will be secured through development while providing flexibility both for developers and to take account of future changes in the ways contributions can be collected and whether any contributions could be deferred if justified.
36. With regards the issue of viability, the 2016 and 2017 Viability Studies (SD09) consider the capacity of development to contribute towards infrastructure. In addition to the standard development costs, the viability testing includes £2,000 per dwelling for infrastructure to mitigate local site-specific impacts, and the larger sites include allowances of between £50,000 and £200,000 per net ha for larger scale development site infrastructure. This is in addition to the allowances for external works, which will also form part of the funding for site infrastructure.
37. In addition to these site-based infrastructure allowances, the 2016 and 2017 viability studies also considered funding for strategic infrastructure, but in different ways:
 - The 2016 study tested specific infrastructure contribution amounts, which included £5,500 per dwelling for J10a for some case studies. Other case studies were tested with amounts ranging from £7,500 to £15,000 per dwelling to explore the impacts on viability. Based on this testing the Council consulted on a Preliminary Draft Charging Schedule which proposed rates of between £30-£60/sq m where affordable housing is being provided (except in Ashford Town where £0/sq m was proposed) and £75-200 sq m for smaller developments without affordable housing (except flats in Ashford Town where £0/sq m was proposed). CIL will now be dealt with by a separate examination process but the principle remains that development is generally viable and able to contribute to infrastructure as well as providing affordable housing.
 - The 2017 study used a different approach, with the case study viability testing exploring the potential for infrastructure funding on a per dwelling basis. In addition to the standard small and large-scale development costs and the allowance for £2,000 per dwelling, the 2017 viability testing showed that the majority of case studies were able to provide £5,000-£9,000 per dwelling in Ashford Town, £2,000-£10,000 per dwelling in Ashford Hinterlands and £2,000-£28,000 per dwelling in Rest of Borough (see SD09 2017 Table 5-2). The two strategic sites at Court Lodge and Kennington were able to provide approximately £6,000 per dwelling for infrastructure (see SD09 2017 Table 6-2).
38. While the amount of infrastructure funding from development will vary depending on location and site characteristics, it is clear from the analysis that development will be able to play a role in the infrastructure funding strategy in the IDP (SD10), which relies on a combination of developer contributions, service providers, economic development

agencies and local authority funding (see P8 onwards).

39. In summary, the Council considers that the Local Plan provides the right balance between providing as much certainty as possible regarding the level and type of infrastructure needed, balanced against being as flexible as possible to ensure that the needed infrastructure will be delivered. In doing so, the approach is considered consistent with the guidance contained in the PPG.
40. It should also be noted that the Council continue to have discussions with local providers over the delivery of infrastructure and these will continue over the plan period. This includes engagement with the South East Local Enterprise Partnership (SELEP), the Ashford Strategic Delivery Board, Kent County Council, various water bodies through the Ashford Water Group and the Ashford Health and Wellbeing Board. More details are provided in the Local Plan (paras 2.20 to 2.25).



Inspectors Issue 4:

Is the housing requirement justified and deliverable and has it been calculated in accordance with national policy and guidance?

i) What weight should be given to the new standardised methodology for calculating local housing need set out in the housing White Paper of February 2017 and the Government consultation of September 2017 on Planning for the right homes in the right places?

1. The Council considers that no weight should be given to the new standard methodology. At the time of writing it remains "draft." Transitional arrangements were proposed in the Planning for the Right Homes consultation, outlining that for plans such as this one, the examination should progress using the current approach/ method (i.e. that in the PPG). This has been carried forward in Paragraph 209 in the NPPF consultation draft text.
2. The standard methodology takes household growth and applies an adjustment to take account of market signals based on the latest median affordability ratio. The Draft Planning Practice Guidance text (p27) makes it clear that the past under-delivery is reflected in the affordability adjustment.
3. Using the 2014-based household projections and a 2016 affordability ratio generates a requirement for 989 dpa looking forwards from 2016. Applying this to the remaining plan period from 2016 would generate a requirement for 13,846 homes.
4. The draft Local Plan has a housing target of 16,120 dwellings over the 2011-30 period. Net completions 2011-16 totalled 2,484 dwellings, resulting in a residual requirement for 13,636 dwellings.
5. The scale of the difference between the figures arising from the standard methodology and the plan requirement is thus very modest, totalling 210 dwellings (15 dwellings per annum, 2016-30).

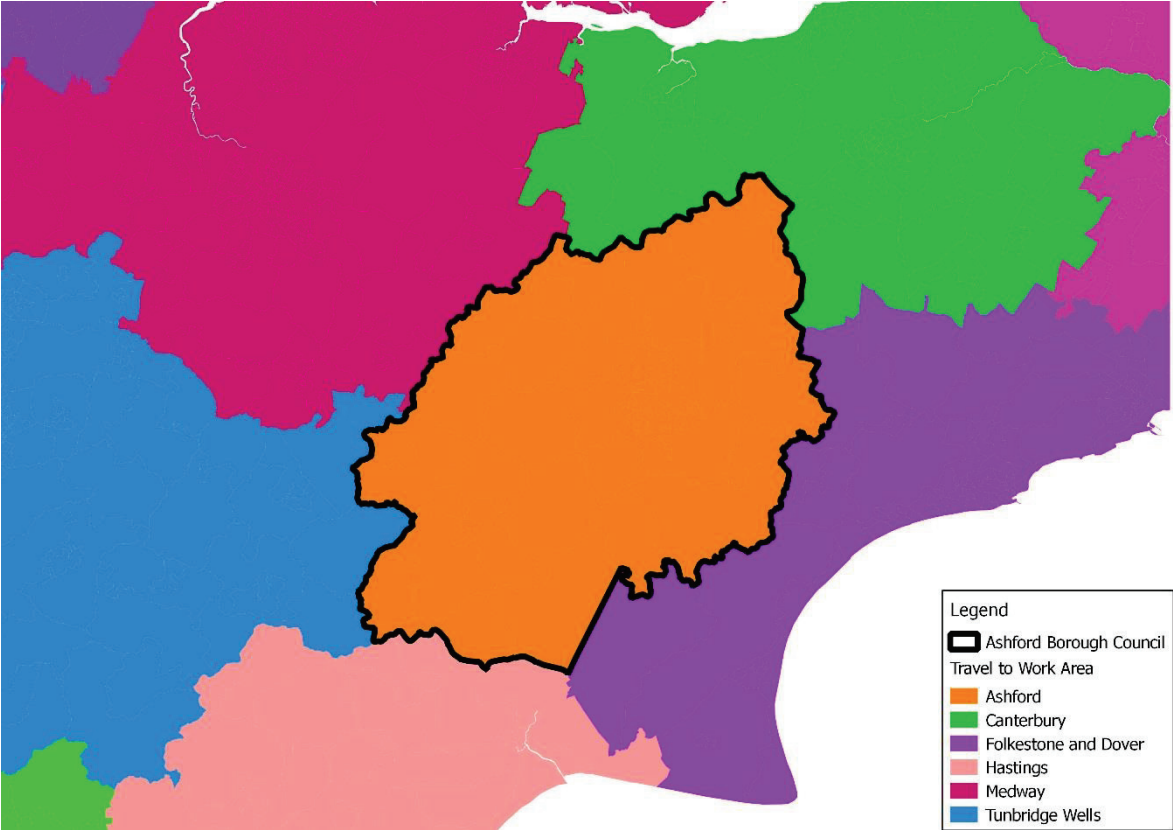
ii) Is the housing market area suitably defined having regard to the PPG on *Housing and economic development needs assessments* (ID02a-011-20140306)?

6. Yes. Chapter 2 in the 2014 SHMA (SD13) considered housing market geographies, considering existing research, house prices, migration and commuting patterns in line with

the PPG. It concluded that the geography of housing markets identified in the national CLG/ CURDS Study was appropriate, with commuting and migration analysis in particularly pointing to a largely self-contained Ashford focused HMA, which was aligned relatively closely with the Borough boundaries.

- 7. ONS has subsequently defined Travel to Work Areas using 2011 Census data. These show an Ashford TTWA which aligns with the Borough boundaries, providing further support to the SHMA’s findings.

Figure 1 - Ashford Travel to Work Area



- 8. Evidence base studies in surrounding areas have also considered housing market geographies and, whilst recognising inter-relationships (as the Council’s evidence does), have not identified Ashford as within a common HMA.

iii)	Is the figure of 754 households per annum justified as the starting point for establishing objectively assessed need and has it been properly derived from the 2014 population and household projections?
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- 9. Yes. It is derived from the 2014-based population and household projections as published. These projections see strong population growth in Ashford of 23.7% (2011-31) as shown in Table 1 on Page 5 in the 2017 OAN Report, compared to 19.2% across Kent and 16.2% across the South East. This results in household growth of 15,086 households, equivalent to 754 per annum (Table 6, p15).

iv)	Is the vacancy allowance of 4.2% a suitable one?
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10. Yes. The 2011 Census showed that in Ashford Borough the number of dwellings was 4.2% higher than the number of households. This figure has been held constant in deriving figures for housing need looking forwards. It takes into account that, at any time, a small proportion of the housing stock will comprise vacant and second homes.

v)	Should any demographic adjustment be made to the household projections due to specific local circumstances (ID02a-017-20140306)?
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11. No. The 2017 OAN Report considered population growth and migration relative to historical trends in Sections 2 and 3, and household formation assumptions in Section 5.
12. Migration in the shorter-term in the ONS 2014-based population projections was consistent with recent trends, with some lowering of the rate of net migration to Ashford in the longer-term reflecting assumptions regarding falling international migration in ONS' national population projections (see Para 3.2 and Figure 3 in the 2017 OAN Study). Projected population growth was stronger than in the 2012-based SNPP and that expected across wider geographies – with 23.7% population expected in Ashford, compared to 19.2% across Kent and 16.2% across the South East (Tables 1 and 2 in the 2017 OAN Study).
13. GL Hearn interrogated household formation rates for different age groups, and considered whether adjustments would be appropriate. It found that whilst household formation amongst those in their late 20s and early 30s fell between 2001-11, the CLG Household Projections were expecting a return to 2001 levels. Increasing household formation was also shown for those aged 35-44. It found that household formation rates of younger households were notably higher than in many other parts of the South East region (Para 5.7). GL Hearn concluded on the basis of the evidence that no demographic adjustment was therefore warranted.

vi)	Have employment trends in the Strategic Employment Options Report (EBD04) been properly taken into account (ID02a-018-20140306) and is the selection of a baseline economic growth scenario justified?
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14. Yes. The Strategic Employment Options Report sought to explore a number of different scenarios for Ashford's economy. Cambridge Econometrics' advice at that time was that the Downside Risks Scenario at that time was the most likely assessment of economic performance (EDB04, Para 10.5). This saw employment growth of 9,200 jobs, 2011-30.
15. The higher "enhanced performance" and "enhanced productivity" scenarios sought to consider factors which could influence economic performance and potential policy choices (Para 6.2). However, the report did recognise that there were challenges in

achieving this, including in regard to trade with the European Union, retention and growth of manufacturing employment, to delivery of office floorspace in Ashford, and in respect of further development in Ashford Town Centre.

16. The SEOR Report was prepared in advance of the EU Referendum. There are inevitably uncertainties regarding medium- and longer-term economic performance at the current time associated with the future trading relationship which the UK is able to negotiate with the EU and other trading partners. Economic forecasts have been downgraded notably since the EU Referendum.
17. At a local level, it is taking time to develop the commercial office market in Ashford, with the first office building being delivered with the Council's support.
18. Cambridge Econometrics forecasts from Autumn 2017 show lower employment growth forecast across the South East region compared to the SEOR Report (0.8% pa vs 0.9%) and nationally across the UK (0.7% vs 0.8% pa). Set against this the 1.4 – 1.5% pa growth as envisaged in the Enhanced Performance and Productivity Scenario is not considered realistic.
19. The baseline economic scenario provides a positive but realistic scenario for economic growth, which envisages 1.0% pa growth in employment across the plan period.
20. As the 2017 OAN Study indicates, the 2014-based SNPP would support workforce growth of 13,200 persons (12,800, 2011-30). This exceeds the growth in jobs of 12,500 in the SEOR Baseline Scenario. The Study found no need to make upwards adjustment to migration/ housing need in drawing conclusions on the OAN.

vii)	Has the housing need number suggested by the household projections been adequately adjusted to reflect appropriate market signals relative to local or national averages as per ID02a-019 & 020-20140306? Is the proposed upward adjustment of 5% reasonable and is the impact of this figure or a higher one on overall stock growth relevant in determining objectively assessed need?
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21. The 2015 SHMA Update showed a deterioration in the affordability of market housing over the 2001-11 decade, as seen in many areas across the UK, but pointed to a fundamental shift in market conditions since 2007. The analysis showed:
 - Median house prices in Ashford which were slightly below the Kent average overall and for different types of homes, and notably below those in Maidstone and Tonbridge and Malling; but above the national average. Prices had increased relative to earnings over the longer-term; and rents had grown – albeit to a lesser extent in Ashford than other parts of Kent;
 - Comparatively strong levels of housing delivery across the three authorities considered (Ashford, Maidstone and Tonbridge and Malling);
 - A lower quartile affordability ratio of 8.15 in Ashford in 2013, which whilst above the national average, was modestly below average relative to other parts of Kent;
 - Growth in households living in over-occupied accommodation of 0.6pp and of people living in HMOs by 0.5pp between 2001-11, which was well below the increased seen at a regional and national level.

22. It considered that a modest uplift was warranted, and modelled an uplift of 1% through adjustments to household formation as a response to the market signals evidence.
23. By the time of the 2017 OAN Study, the evidence suggested that house price inflation has returned whilst wages had remained fairly static (as broadly has been the case nationally) resulting in a deterioration of the lower quartile affordability ratio to 9.6. However other evidence continued to point to a mixed picture, including land values which were 28% below the national average excluding London; with evidence that rental trends had been relatively flat with rental affordability better than in Maidstone or Tonbridge and Malling. The land value evidence did not point to a shortage of residential land or justify a particularly large market signals adjustment.
24. The affordable housing needs evidence showed a need for 368 affordable homes per annum. Taking account of the likely delivery of affordable housing in line with policy requirements, the 2017 Study indicated that in theory between 920 – 1840 dwellings per annum would be required (2013-30) to meet the affordable need in full.
25. Market signals and affordable housing evidence are appropriately considered together, given the interactions between them, whereby entry level housing costs influence the affordable housing need. By implication, an improvement in the affordability of market housing over time will reduce the level of affordable housing need.
26. The High Court has set out in *Kings Lynn & West Norfolk v SSCLG and Elm Park Holdings* [2015] that affordable housing needs should be addressed in determining the OAN, but that neither the Framework nor PPG suggest that they have to be met in full, essentially as in practice this would often generate a figure for which there is little or no prospect of delivering in practice (see 2017 OAN, Para 9.8-9.11).
27. In defining OAN, the PPG sets out in ID 2a-003-20140306 that “*Assessing development needs should be proportionate and does not require local councils to consider purely hypothetical future scenarios, only future scenarios that could be reasonably expected to occur.*” The consideration of the deliverability of the OAN figure is reasonable on this basis.
28. Furthermore in respect of adjustment for market signals, the PPG outlines in ID 2a-020-20140306 that this should be set at a level which is reasonable. The consideration of the growth implied by the demographic projections, the Council contends, is logically an influence on what adjustment is reasonable.
29. The 2014-based household projections show population growth of 23.7% in Ashford, which is significantly higher than the average rate of growth expected across the South East (16.2%) or England (14.6%) (2017 Study, Table 1). Two thirds of this is driven by net in-migration to the Borough, with the level of net migration expected over the plan period 29% higher than in the 2012-based Projections. The household projections already build in increases in household formation amongst younger households (2017 Study, Figure 5).
30. The Borough has seen rates of housing delivery over the last decade which are within the top 10% of local authorities nationally (Housing Topic Paper, p12). The demographic evidence shows that this has contributed to strong net migration to Ashford.
31. The upward adjustment of 5% in response to the market signals and affordable housing evidence in the 2017 OAN Study was assessed as appropriate in this context, with the assessment concluding that a higher uplift was unlikely to be deliverable (Para 9.19). As the table on Page 12 of the Housing Topic Paper shows, there are only three authorities nationally which have sustained a 1.6% pa growth in housing stock or above over the last

decade, two of which are in Central London. This is consistent with the conclusion of the Sustainability Appraisal (SD02) at para. 3.6.19 that a significant increase in the Local Plan housing target to meet affordable housing need was not considered to be a reasonable alternative for the purposes of assessment.

32. The Council considers that a higher level of housing delivery than planned for would be undeliverable in a sustainable way. (see the response to Issue 5 iv).

viii)	Is the allowance for 442 dwellings over the plan period to cater for increased out migration from London justified and adequate? Is the figure part of the objectively assessed need and should it only be applied from 2017 onwards?
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33. The allowance for additional migration from London is not part of the OAN. The ONS demographic projections already take into account in-migration from other areas, including London, and are dynamic projections which take account of how demographics in other areas from which people move to Ashford are expected to change.
34. The SHMA modelled a London migration scenario as a sensitivity analysis to consider potential issues of alignment with the 2013 London SHMA, which formed the basis of the current London Plan (“the FALP”). This was planning for housing provision in London of 49,000 homes per year. The modelling assumptions reflected uncertainty regarding how migration from London would change as the economy and housing market emerged from recession and modelled an increase in migration from 2017 forwards as this was the approach adopted in the GLA 2013-based Demographic Projections/ 2013 SHMA.
35. The Greater London Authority (GLA) has since published and consulted on a new draft London Plan, and updated its evidence base. The 2017 London SHMA identifies a need for 66,000 homes a year; and the plan identifies capacity within London for 65,000 homes pa and proposes to plan for this level of provision, essentially meeting London’s needs within London.
36. The GLA has published alongside the 2017 London SHMA demographic projections for areas outside of London which align with the draft London Plan evidence base. These (Central Scenario) expect household growth of 13,700 between 2011-31, equating (including an allowance for vacant homes) to a housing need of 714 dpa. This is below with the demographic need set out in the 2017 OAN Report (786 dpa), and there is therefore no need for an adjustment in drawing conclusions on the OAN.
37. The Council is aware that these issues have been considered at other local plan examinations in the South East region. Other authorities have not been required by Inspectors to make adjustments for higher migration from London. The Maidstone Inspector’s Report of July 2017 (Para 108) considered similar issues, noting that no request had been made from the GLA or any other authority to accommodate unmet needs; and that it is possible that a future increase in in-migration from London could place pressure on areas beyond the Green Belt such as Maidstone which have transport links, but concluded that this was a matter which should be considered in the first review of the plan when policy provisions for housing become clearer.
38. Nonetheless the Council considers that planning for an uplift of 442 dwellings is a sound planning approach which accepts the high quality of the Borough’s transport links to the capital, as well as the wider market signals and affordable housing evidence in the SHMA. It represents positive planning.

ix)	Has an allowance been made for vacancy and second home ownership of existing and future housing stock?
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39. Yes it has. The modelling assumes no changes in the proportion of vacant/second homes in the existing stock, and has applied an uplift of 4.2% to household growth to account for a proportion of vacant and second homes in housing stock delivered over the plan period.

x)	Has the Council adequately considered increasing the total housing figures in order to help deliver the required number of affordable homes in accordance with the PPG (ID 2a-029-20140306)?
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40. The evidence base shows a need for 368 affordable homes per annum (2013-30). Table 18 in the 2017 OAN Study shows that to meet this in full would require between 920-1840 dpa, depending on the proportion of affordable housing delivered.

41. With 30% affordable housing delivery, a 56% uplift on the demographic need of 786 dpa would be required to 1227 dpa to meet the affordable housing need in full.

42. The Council has given consideration to uplifting the requirement in response to the affordable housing needs evidence in line with the *Kings Lynn* judgment, as detailed in Section 5 of the Council's Housing Topic Paper.

43. The majority of affordable housing is delivered on mixed tenure schemes and influenced by residential development viability. To meet the affordable housing need in full at 30% affordable housing provision would require 2.4% pa growth in housing stock, which is essentially above what any areas nationally has consistently delivered over the last decade (see Housing Topic Paper, p12).

44. Any upward adjustments within an OAN calculation would deliver additional market and affordable housing. Market housing provision which reduces market housing costs over time will reduce the scale of affordable housing needs.

45. The 5% upward adjustment in the 2017 OAN Study would contribute to provision of additional affordable housing and was considered to be the upper limit of what can be considered achievable. The Council has also taken into account the affordable housing need in its decision to include the additional 442 dwellings in the housing requirement. Increasing housing provision to levels at which there is no realistic prospect of delivery would not be an effective way of addressing affordable housing needs.

xi)	Should the housing requirement be set out in policy as an annual average or should a stepped requirement be included?
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46. The Local Plan does not set out an annual housing figure that is required to meet the housing requirement over the plan period. However, Table 1 of the Local Plan on page 18 clearly sets out that the plan's overall OAN is 15,675 dwellings which equates to 825 dwellings per year over the plan period (2011-2030). Should it be deemed necessary in

terms of providing clarification for this figure to be incorporated into policy then the Council would have no objection.

47. With regards to incorporating a stepped housing requirement into the Local Plan, the Council do not believe this approach is necessary as a means of meeting future housing need. The Council's evidence, as demonstrated through the Housing Topic Paper (SD08), explains that many of the sites in the Local Plan are now starting to come forward and deliver housing completions, whilst the advice from developers and housebuilders to the Council indicated by the responses in Appendix 2 to the Housing Topic Paper clearly suggests a desire to start new housing sites soon. This is reflected in the housing trajectory of the Submission Local Plan which shows the expectation of an increase in housing completions. Furthermore, as set under the response to Issue 5 (viii), the Council is confident that the future housing windfall assumptions are realistic and deliverable.
48. In addition, the key potential strategic infrastructure constraint of M20 Junction 10a will soon be resolved as the scheme is now under construction and will be opened to traffic in 17 months time. This timeframe is reflected in the housing trajectory and therefore not of itself sufficient justification for a stepped housing requirement in the Plan.
49. However, the Council does consider that it would be beneficial to provide some greater flexibility surrounding how any housing shortfall is met over the plan period. This is dealt with in response to question iv) above.

Council's Response to Inspector's Issues and Questions

Topic policies: General questions

25 April 2018

i) Does the Local Plan, when taken as a whole, include a strategy and policies designed to ensure that the development and use of land contribute to the mitigation of, and adaption to, climate change?

1. In accordance with paragraphs 94 and 97 of the NPPF the Local Plan includes proactive strategies to mitigate and adapt to climate change and to promote energy from renewable and low carbon sources. Such an approach is rooted in the Vision of the Plan (paragraph 3.13) and the Strategic Objectives (Policy SP1i).
2. The Local Plan includes specific policies designed to ensure development and use of land contribute to the mitigation of, and adaption to, climate change. Policy ENV6 requires new development to contribute to an overall flood risk reduction. Policy ENV7 requires all new residential development to meet water efficiency requirements. ENV10 supports proposals to generate energy from renewable and low carbon sources that reduce carbon emissions in the borough in order to minimise the impact of climate change. Policy ENV11 promotes the delivery of highly efficient buildings in terms of energy and water use in order to mitigate climate change impact through the reduction of carbon dioxide emissions.

ii) Policies TRA3a, ENV2, ENV3a, ENV3b, ENV4, ENV9, COM2 and COM3 and a number of individual site policies refer to various SPDs, other Council strategies or documents prepared by other organisations. As these are not part of the development plan and are subject to change without examination, is requiring compliance with them justified and consistent with legal and national policy requirements? If not, are there other ways of expressing the Council's intended approach within these policies?

3. Paragraph 153 of the NPPF sets out the role of Supplementary Planning Documents (SPDs) as being where they can assist applicants in making successful applications or aid infrastructure delivery without adding unnecessarily to financial burden on development.
4. The Council already has a suite of SPD in place which relates to existing adopted policies in the Core Strategy and its 'daughter' AAPs and DPDs. These include the Green Corridor Action Plan that is referred to in policy ENV2, the Landscape Character SPD (GBD17) that is referred to in ENV3a, the Dark Skies SPD (GBD12) that is referred to in policy ENV4, the SuDS SPD (GBD20) referred to in policy ENV9 and the Green Spaces and Water Environment SPD (GBD21) referred to in policies COM2 and COM3.
5. It is agreed that guidance in SPD should be there to clarify how the 'policy' requirement can be met in site specific cases, whether that is through an appropriate and proportionate developer contribution or by the delivery in whole or in part of a suitable piece of infrastructure. In all cases, it is expected that such requirements would be delivered through appropriate Section 106 Agreements and hence need to be compliant with the tests set out in Regulation 122 of the CIL Regulations.
6. Whilst it is accepted that the guidance in SPD may be amended without formal examination, SPD must be contained within the parameters of the 'parent' policy to which it relates and must be subject to formal consultation prior to adoption. The Council considers it would be self-defeating to introduce SPD that would serve to undermine the purpose of the 'parent' policy or be outside the scope of the policy including by introducing unnecessary financial burdens on development, given the difficulties this would present in defending such an approach if challenged. The same applies to any other 'strategies' prepared by the Council or other documents, such as the AONB Management Plans that are referred to in policy ENV3b.
7. The Council firmly believes that its approach of the Local Plan policy establishing the principle of 'need' with the detail as to how that 'need' may

best be satisfied on a site-by-site basis through SPD is reasonable and justified.

iii) Does the Local Plan, when taken as a whole, adequately promote the health and well-being of the community?

8. The Local Plan recognises that Health and Wellbeing are integral parts of national planning policy. Links between planning and health are evident throughout the whole of the National Planning Policy Framework (NPPF), and are therefore reflected throughout the Local Plan. Key areas of the NPPF relevant to health and wellbeing – beyond the requirements to promote healthy communities (chapter 8; paragraphs 69-77) - include transport (chapter 4), high quality homes (chapter 6), good design (chapter 7), climate change (chapter 10) and the natural environment (chapter 11). All of these have been addressed within the Ashford Local Plan to 2030. The Sustainability Appraisal (SD06) tests those policies within the Local Plan against thirteen key objectives – one of these (Objective 7) on Health and Wellbeing, and therefore the plan as a whole has been interrogated to determine its impacts on the health and wellbeing of the Borough’s population.
9. The ways in which the issue of Health and Wellbeing is addressed is distilled specifically in the Soundness Self-Assessment (SD06), explaining those policies most explicitly contributing to fulfilment of the above specific policy areas. The NPPF requires Local Plans to provide policies encouraging well-designed places which promote community interaction, including through mixed and mixed-use development, which are safe and accessible (NPPF chapter 6 and 7, and paragraph 69). Local Plan Policy SP6 requires that development proposals must be of high quality design and demonstrate a careful consideration of and a positive response to each of a number of design criteria. This includes the social aspects of design, and Building for Life standards which establish person-centred planning. Policies HOU12-15 build on this, specifically addressing the space and accessibility needs to enable people to have healthy homes.

10. Paragraph 70 NPPF states that policies should plan positively for the provision and use of shared space, community facilities and other local services, thereby promoting healthy communities. Again, this is made locally-relevant through the Local Plan's strategic policies (especially Policy SP6), but supported by Policies COM1-4 which promote opportunities for and delivery of community spaces, leisure, recreation, sport and play, allotments and cemeteries. These policies support the requirement of Paragraph 73 to identify, plan and provide for the specific qualitative or quantitative deficits or surpluses in open space, sports and recreation facilities as outlined in the Open Space Strategy (CBD04) and Playing Pitch Strategy (CBD02).

11. Natural environment and climate change issues and resilience are amplified particularly in the Local Plan's section D (Policies ENV1-15). A number of the policies contained therein – for example Policy ENV2 (Ashford Green Corridor) and Policy ENV4 (Light Pollution) seek to improve health and wellbeing indicators for local communities. Their supporting reports – the Green Corridor Action Plan (NBD02) and the Dark Skies SPD (GBD12) are important complementary documents in delivering these policies, which proactively seek to support a quality experience of the natural environment, getting people out and about while preserving and enhancing those natural features that constitute the environment. Complementing these policies, Section C (Policies TRA1-9) positively seek to provide for pedestrian and bicycle journeys promoting health and wellbeing, but balancing this with a recognition that private transport is widely used and is a component of modern living that requires a careful balanced yet flexible approach.

12. In terms of provision of primary, secondary and tertiary care provision, opportunities are taken in many site policies to promote improvement of existing community provision of health and other infrastructure. The Local Plan was produced through engagement in the Ashford Health and Wellbeing Board, with the Ashford Clinical Commissioning Group (CCG), and via engagement with local people as per PPG recommendations (Paragraph: 003 Reference ID: 53-003-20140306). This engagement is highlighted further in

the Council's Duty to Cooperated Statement (SD07) and Infrastructure Delivery Plan (SD10). On a site-specific basis, Policy S18 provides opportunity for improvement, expansion, reconfiguration and consolidation of medical facilities at the William Harvey Hospital, the borough's most strategic medical facility. As a whole, however, given the continually evolving strategic planning situation of the CCG and the NHS more generally, the Plan's policies provide flexibility to accommodate future requirements and to collect proportionate contributions towards their delivery.