

Ashford Local Plan Review of Housing Supply and Trajectory

Wates Developments

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1.0 Introduction

- 1.1 This report has been prepared by Lichfields on behalf of Wates Developments (“Wates”) in relation to the Ashford Local Plan examination, specifically to support Wates’ response to Issue 5 which relates to housing land supply. It presents a review of the SHELAA methodology applied as well as an assessment of Ashford Borough Councils (the Councils) stated five year housing land supply (5YHLS) position and the housing trajectory over the plan period to 2030.

2.0 Review of SHELAA Methodology

- 2.1 Lichfields has reviewed the methodology of the SHELAA against the requirements for identifying deliverable and developable sites as set out in the NPPF and PPG.
- 2.2 Whilst overall the SHELAA is a rounded piece of evidence seeking to assess the deliverability and developability of sites, it is considered that the assumptions regarding suitability and achievability in the SHELAA are not consistent and therefore not reasonable.
- 2.3 Looking at the assessments on individual sites the overall approach in the SHELAA appears to be predicated on a pre-judged position of Ashford-first with relatively arbitrary judgements on overall developability based on ‘sustainability’ often appraised on the basis of distance from a central point and/or with little consideration of potential for mitigation. The PPG is clear that the assessment should provide comprehensive information on suitable and available sites (ID: 3-003) but does not indicate that these should be narrowed by criteria in such a way as to replace or replicate the allocations process in a Local Plan. The PPG on suitability mainly seeks a focus on physical constraints and unacceptable impacts that cannot be mitigated (“showstopper” factors) (ID: 3-019).
- 2.4 To illustrate the inconsistency on **suitability**, we’ve compared the assessment of site TS3 Land at Appledore Road/Woodchurch Road (Wates Developments’ site) with the Local Plan allocation Policy S24 - Tenterden Southern Extension Phase B (SHELAA ref TSTR W1). Although both sites are assessed as suitable in the SHELAA, only TS3 is described as relatively peripheral to the town centre, with potential for significant impact on the existing rural character and the AONB, that access is limited and there could be a major impact on the character of Appledore Road. The points on proximity to the town centre, rural character and impact on the AONB are applicable to both sites but are not noted in the assessment for site TSTR W1 (the allocation) which is a similar distance from the town centre, is less enclosed by existing development with consequent greater impact on rural character and is separated from the High Weald AONB only by Smallhythe Road. This is then further compounded in the Sustainability Appraisal (SD02 Appendix 4, pg 131-135) which appears to contradict the SHELAA conclusion and assessment stating the site is unsuitable for development (rather than it simply being a less sustainable alternative).
- 2.5 With regards to **achievability**, the SHELAA method states that this will consider whether there is a reasonable prospect that the development proposed will be developed on the site at a particular point in time including a judgement on viability and cooperation of the developer/landowner, and the availability of the correct infrastructure. This appears to be an elaborated (and much more stringent) test from that set in guidance (PPG ID: 3-021), which states it should essentially a judgement about the economic viability of a site. On either basis it is not clear why site TS3 as promoted by Wates has been scored as ‘achievability unknown’ when discussions with the Council have been ongoing for the past 4 years.

- 2.6 Given our conclusions on housing supply below, the consideration of suitable SHELAA sites with unreasonable assumptions about achievability should clearly be revisited which may well also serve to help address deficiencies in the housing trajectory.

3.0 Review of 5 Year Housing Land Supply

Council Position

- 3.1 The Council's most up to date evidence on their 5YHLS position is set out in the document entitled Ashford Borough Council local plan to 2030 Housing Topic Paper December 2017 (SDo8), starting from paragraph 190.
- 3.2 At a base date of 2017/18 the Council sets out that it has only 4.6 years housing land supply as recreated in Table 3.2.

Table 3.1 Ashford 5YHLS Calculation 2017/18 to 2021/22

5 year Local Plan requirement	4,295 (5 x 859 dpa)
Delivery shortfall since 2011 (to 2017)	1,773
Sub-total	6,068
(+ 20% buffer)	1,214
TOTAL	7,282 (1,456 dpa)
<i>Town Centre Sites</i>	511
<i>Chilmington Green</i>	600
<i>Urban Sites</i>	3,000
<i>A20 Corridor Sites (New allocations)</i>	200
<i>Rural sites</i>	1,422
<i>Neighbourhood Plans</i>	157
<i>Windfalls (Non Allocated sites)</i>	799
Expected supply (Housing Trajectory)	6,689
<i>Supply Surplus/Deficit</i>	-593
Years Supply	4.59 (6,689/1,456)

Source: Ashford Borough Council local plan to 2030 Housing Topic Paper December 2017 page 34 & *Lichfields analysis*

- 3.3 Although the Council is unable to demonstrate a 5YHLS at the base date of 2017/18, it states at para 213 of the Housing Topic Paper that once the 2018/19 monitoring year commences, on the basis of the expected completions set out in the housing trajectory, the Council would be able to demonstrate a 5 year housing land supply. This is also set out in Table 3.2.

Table 3.2 Ashford 5YHLS Calculation 2018/19 to 2022/23

5 year Local Plan requirement	4,295 (5 x 859 dpa)
Delivery shortfall since 2011 (to 2017)	1,993
Sub-total	6,288
(+ 20% buffer)	1,258
TOTAL	7,546 (1,509.2)
<i>Town Centre Sites</i>	879
<i>Chilmington Green</i>	800

<i>Urban Sites</i>	3,460
<i>A20 Corridor Sites (New allocations)</i>	250
<i>Rural sites</i>	1,373
<i>Neighbourhood Plans</i>	157
<i>Windfalls (Non Allocated sites)</i>	699
Expected supply (Housing Trajectory)	7,618
<i>Supply Surplus/Deficit</i>	+72
<i>Years Supply</i>	5.05 (7,618/1509.2)

Source: Ashford Borough Council local plan to 2030 Housing Topic Paper December 2017 page 34 & *Lichfields analysis*

- 3.4 The Council's position as stated in the Housing Topic Paper is based on what it presents as an annualised Local Plan requirement of 859 dwellings per annum 2017 to 2030. This is reflective of a position derived from the presented objective assessment of housing need (OAN) of 825dpa over the whole plan period (2011-2030) plus 34dpa just for the period 2017-2030 (termed as 'future proofing' in the plan); essentially a sort of stepped requirement across the plan period. The calculation also includes backlog accrued against OAN of 825 dpa from 2011 to 2017 rectifying of the shortfall to 2017 within 5 years (i.e. Sedgefield method) and also applies a 20% buffer.
- 3.5 However, the figures within the Council's five year land supply statement is presented differently from other places within the Plan and supporting evidence, leading to a distinct lack of clarity, including:
- Policy SP2 which presents a policy target of 996dpa 2017-2030; and
 - 848dpa which is identified in the Housing Topic Paper (SD08 para 73) as the annualised delivery rate over the whole plan period 2011-2030
- 3.6 It is therefore fundamentally not clear which figures Ashford Borough Council intend will be used going forward for the purposes of monitoring and managing the housing requirement.

Lichfields' Review

Period of Assessment

- 3.7 The most recent monitoring year for which there is up to date completions data should be the base date for the calculation of 5YHLS, in this instance 2017/18. However, this monitoring year will shortly end on the 31st March 2018 and we will enter the monitoring year 2018/19. If data on completions in 2017/18 has been carefully monitored by the Council then there is no reason to not consider a more up to date 5YHLS position commencing in 2018/19 provided it is based on accurately recorded completions data and not forecast completions. The Council currently only has a marginal 5YHLS position from a base date of 2018/19 of 5.05 years or +72 units; therefore if projected supply is even slightly overestimated against completions the Council would not have a 5YHLS.

Annual Requirement

- 3.8 Notwithstanding our position on the appropriate OAN for Ashford (please see Lichfields review of SHMA, July 2017), the correct figure to apply over the five year period will be the housing requirement as set out in the Ashford Local Plan. However, as set out above, this is currently

unclear, with figures of 848dpa, 859dpa and 966dpa all identified in the plan and supporting evidence.

- 3.9 For the purpose of this review, we have utilised the 859dpa figure which is indicative of a stepped requirement applying through the Plan comprising 825dpa applying 2011-2017 and 859dpa applying 2017-2030. However, for ease of use and clarity, we would suggest that a single housing requirement figure is referenced in the plan (and this may well be the 848dpa annual average applying across the whole plan period, or equivalent as might be necessary for soundness).

Approach to Backlog

- 3.10 With regards to the application of backlog into the 5YHLS calculation, the PPG sets out that:

“Local planning authorities should aim to deal with any undersupply within the first 5 years of the plan period where possible” (ID 3-035), i.e. the so-called ‘Sedgefield’ method.”

- 3.11 As set out in the Housing Topic Paper (SDo8), the Council’s calculations use the so called ‘Sedgefield’ (i.e. in the next five years) approach to meeting backlog since 2011, citing the PPG (ID3-035). However, the topic paper caveats by implying alternative approaches might be appropriate (SDo8 para 197). Notwithstanding, the Council in SDo8 state they can demonstrate a 5 year land supply on this basis, from a base date of 2018/19. However, this contradicts the Local Plan’s contention that such an approach would require unrealistic annualised levels of completions.

“3.37.7 However, to achieve this outcome it is necessary for the strategy to assume that the shortfall is technically addressed over the whole of the remainder of the Plan period – commonly referred to as the ‘Liverpool’ approach - in order for the Council to be able to demonstrate a deliverable 5 year housing land supply in the short term. This approach ensures the integrity of the Council’s strategy for addressing the shortfall in a sustainable way can be properly maintained and that unrealistic annualised levels of housing completions are not required from the start of the Plan, merely as a means of meeting an existing shortfall that can be better and more sustainably phased and located elsewhere in the borough over the Plan period.”

- 3.12 Furthermore, proposed Policy SP2 and the housing requirement of 12,950 2017-2030 (equivalent to 996dpa) is a de-facto application of the ‘Liverpool’ method; the Plan and accompanying evidence in SDo8 are inconsistent in this regard.

- 3.13 We consider the Sedgefield method of addressing the backlog of housing should apply in Ashford and should apply back to 2011 (i.e. with SP2 expressed as a requirement for the full plan period). Firstly, as set out above the PPG expresses preference for the use of the Sedgefield approach (ID 3-035). This is consistent with the Government’s aim expressed at paragraph 47 of the Framework to boost significantly the supply of housing. Secondly, the backlog in Ashford (in excess of 1,700 homes) is such that there should be no justification for delaying meeting these needs that exist now to even later in the plan period. Thirdly, the Council themselves suggest in the Housing Topic Paper (SDo8) that it can be achieved. Finally, the fact that the Liverpool method might be considered to be more realistic by the Council is not a justification for pursuing it; the Council should proactively be approving housing schemes now to address the backlog rather than delaying it for later in the plan period.

Approach to Buffer

3.14 With regards to the application of a buffer in the 5YHLS calculation, the NPPF sets out at paragraph 47 that local planning authorities should:

“Identify and update annually a supply of specific deliverable sites sufficient to provide five years’ worth of housing against their housing requirements with an additional buffer of 5% (moved forward from later in the plan period) to ensure choice and competition in the market for land. Where there has been a record of persistent under delivery of housing, local planning authorities should increase the buffer to 20% (moved forward from later in the plan period) to provide a realistic prospect of achieving the planned supply and to ensure choice and competition in the market for land.”

3.15 In respect of a 20% buffer in the 5YHLS calculation we consider this is justified by national policy. Whilst there is already an addition to the annualised housing target (the application of the ‘future proofing’ uplift) and the shortfall since 2011, the application of a 20% buffer simply moves land forward from later in the plan period, i.e. it is not an additional penalty. Its purpose is to provide a realistic prospect of achieving at minimum the planned supply; thereby ensuring shortfalls do not continue to accumulate, and to ensure choice and competition in the market for land.

3.16 The Council has presided over a severe shortfall in meeting housing needs since 2011, as set out below, and it is clearly appropriate to try and ensure the planned supply is achieved by applying a 20% buffer.

Table 3.3 Ashford number of housing completions by monitoring year

	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Total
SHMA OAN	825	825	825	825	825	825	4,950
Completions	633	284	137	405	1,022	696	3,177
Surplus/Deficit	-192	-541	-688	-420	+197	-129	-1,773
Cumulative surplus/deficit	-192	-733	-1,421	-1,841	-1,644	-1,773	-1,773

Source: Ashford Borough Council local plan to 2030 Housing Topic Paper December 2017 page 32

3.17 As set out above, it is clear that the Council has not met its OAN over the five of the past six years. However, when considering whether to apply a 5% or a 20% buffer, it is also important to consider the cumulative shortfall against housing targets as well as under delivery on an annual basis. The test at paragraph 47 of the NPPF is whether there has been a record of persistent under delivery of housing. There is no requirement to test against an annualised target, but to consider whether actual need is met in any year and this will include backlog. There is clear evidence that annually the Council has failed to meet the OAN but the cumulative under delivery against the OAN of 825 since 2011 is 1,773 dwellings (or 36%) which is clearly significant.

3.18 Even then, Table 3.3 above presents a potentially optimistic view of past delivery against targets. Until its eventual revocation in March 2013, the targets in the South East Plan (as similarly set out in the adopted Ashford Core Strategy) were the relevant figures which Ashford Borough Council should have been seeking to provide, with actual housing delivery targets in those years being in excess of 1,000 per annum, meaning the degree of under delivery of housing against those targets has been even more acute.

3.19 There are appeal decisions which also support the consideration of cumulative as well as annual under delivery and the use of a 20% buffer in such cumulative circumstances.

Lower Standen Hey Farm, Whalley Road, Clitheroe – October 2017 (ref 3174924)

- 3.20 In this appeal the Council had justified the use of a 5% buffer through the application of a 'housing delivery test', suggesting that a 20% buffer should not apply where completions over the last three years of a monitoring period exceed the annualised requirement. The Inspector stated that whilst the housing delivery test set out in the White Paper was clearly signalling Government intent, he found the adoption premature. Rather, the Inspector made their decision on the application of a 5% or 20% buffer on the basis of cumulative delivery against housing need.

"18. ... In any event, I note that the Council has used an unadjusted annualised requirement of 280 houses which has failed to account for a backlog of 750 houses which gives a higher annualised requirement of 430. Under such circumstances, it is clear that the Council has failed to meet its annual targets since the beginning of the plan period. As such, I am satisfied that a persistent record of under-delivery is present." (Our emphasis)

Former Weyburn Works, Shackleford Road, Elstead, Godalming, Surrey – March 2017 (ref 3150558)

- 3.21 The position in Ashford is similar to the situation described below where a 20% buffer was applied.

"25. It is not, in my view, a simple question of looking at each year and ascertaining whether or not the relevant target has been met. The extent of any under delivery is also a significant indicator of how the Council is performing against requirements. I appreciate that the economic recession of 2008 and ecological issues have each played a part in dampening or interrupting the rate of delivery. However the record of under delivery now extends to the immediate last 7 assessment years. Each additional year of under delivery exacerbates the problem and 7 years is a not inconsiderable period during which time the housing requirements of the district have not been met and the accumulating shortfall has been continually rising.

26. The shortfall which has accrued between 1 April 2013 and 30 June 2016 alone is 874 dwellings. This must be seen in the context of a requirement during that period for some 1687 dwellings. Tellingly, in the most immediate 3 year preceding period for which there are records, the rate of completions is less than half the total requirement for that particular period. The backlog equates to 1.68 year annual requirement accrued over 3.25 years.

27. Having regard to the period of under delivery, its occurrence in the immediate 7 year period preceding the date of assessment, as well as the extent of the under delivery, I conclude that there has been a persistent under delivery such as to warrant corrective action by the imposition of the 20% buffer. In coming to this conclusion I recognise that the Council has faced difficulties not of its own making and is also making efforts to increase supply. These factors provide an explanation as to the current position but they do not negate the record of under delivery. The period of under delivery and the rate at which the backlog has been accrued indicate that the best way of providing a realistic prospect of achieving the indicative supply is to increase the buffer to 20% by moving housing forward from later in the plan period." (Our emphasis)

Supply

- 3.22 The NPPF states the following in respect of what constitutes a ‘specific deliverable site’ (i.e. a site that can be delivered within five years and included in the 5YHLS calculation) in footnote 11):

“To be considered deliverable, sites should be available now, offer a suitable location for development now, and be achievable with a realistic prospect that housing will be delivered on the site within five years and in particular that development of the site is viable. Sites with planning permission should be considered deliverable until permission expires, unless there is clear evidence that schemes will not be implemented within five years, for example they will not be viable, there is no longer a demand for the type of units or sites have long term phasing plans.” (Lichfields emphasis)

Sites

- 3.23 We have undertaken a high level review the components of supply relied upon by the Council in both the 2017/18 based position and 2018/19 particularly focussing on lead-in times and build-out rates for the large urban site allocations. We identify below a number of sites where we consider that the Council has made overly optimistic assumptions about lead in times or build out rates of sites, but this is not an exhaustive exercise as we have only focussed on the main component of the supply. An amended trajectory for each site is provided in the tables in section 3 of this report.

- **Chilmington Green** - Hodson Developments has secured detailed planning permission to begin Phase 1 of the major development at Chilmington Green and work is expected to start on the construction of the first homes by the end of March 2018.¹ It is currently expected that the first residents will move into the development in Winter 2018. On the basis that the first residents will move into the first completed home in winter 2018, it is anticipated that the first completions will come in December 2018 at the very earliest (though the Housing Topic Paper suggests early 2019). This is complemented by Lichfields RTPi award winning research ‘Start to Finish: How quickly do large-scale housing sites deliver?’ research² which shows that on average it takes c. 9 months (0.8 years) for schemes of 2,000+ dwellings from receiving planning approval to first housing completion. On the basis thereafter, that the average housebuilder delivers a home a week, only c.20 units would be delivered in the first year (i.e. by 31st March 2019), rather than the projected 50. Completions totalling 50 in just 3-4 months of 2018/19 would imply an annual delivery rate of 150-200dpa by this one single housebuilder. On this basis we consider that the projected completions figure for Chilmington Green in 2018/19 should be reduced from 50 to 20 units (-30 units);
- **Willesborough Lees (Policy U14 and S17)** – The Council assumes that the site will begin in the 2018/2019 period, delivering 220 dwellings within the 2017/18 to 2021/22 five year period. The Housing Topic Paper indicates that the site benefits from both a full planning permission (Application Ref: 16/01722/AS), and outline permission (Application Ref: 16/01512/AS – granted at appeal). However, the full application for 192 dwellings is subject to 3 pre-commencement conditions (Conditions 5, 14 and 23) which have not been discharged, and the outline permission is still subject to S106 agreements. It is therefore unlikely that the site would begin delivering in 2018/19 under either of the two permissions, and it would be more realistic – if not conservative – to push the start date back by a further

¹ <http://chilmington-green.co.uk/index.php/planning-consent-secured-for-first-phase-of-chilmington-green-in-ashford-kent/>

² <http://lichfields.uk/media/1728/start-to-finish.pdf>

year, to 2019/20 – a reduction of c.60 dwellings in the 2017/18 to 2021/22 five year period (-60 units), but still 220 units in the five year period 2018/19 to 2022/23;

- **Land NE of Willesborough Road, Kennington (S2)** – The Council assumes that the site will begin in 2019/2020, delivering the 150 dwellings within the 2017/18 to 2021/22 five year period or 225 dwellings over the 2018/19 to 2022/23 five year period. The Housing Topic Paper states that the site will require the capacity created by M20 Junction 10a, which is reflected in the expected timing of the development; however, the junction is not expected to be completed until 2020³. Moreover, although masterplanning has begun, an application has not been submitted. It is assumed start date is therefore overly optimistic, and a more realistic start date of 2021/22 should be adopted, which results in a reduction of -125 dwellings in the 2017/18 to 2021/22 five year period (-125 units), and -150 dwellings in the 2018/19 to 2022/23 five year period (-150 units); and
- **Court Lodge, Kingsnorth (S3)** – The trajectory indicates that the site will begin in 2020/2021 period, delivering the 140 dwellings within the 2017/18 to 2021/22 five year period or 230 dwellings over the 2018/19 to 2022/23 five year period. The Housing Topic Paper indicates that masterplanning has been undertaken, alongside a Transport assessment; however, no planning application appears to have been submitted. Similarity to allocation S2, the site is also reliant on Junction 10a – not due to be finished until 2020. Furthermore, Hallam Land, a land promoter rather than housebuilder, is promoting the site, which indicates that the site will need to be sold once an (presumably outline) application has been approved; a process which can extend lead in times often by up to a year, with a housebuilder then having to submit a reserve matters application. All of the above serve to highlight the Council’s unrealistic 2 year lead in time. A more realistic start date of 2021/22 should be adopted, which results in a reduction of -90 dwellings in the 2017/18 to 2021/22 five year period (-90 units), and -90 dwellings in the 2018/19 to 2022/23 five year period (-90 units).

3.24 Each of the above highlight that there are aspects of the Council’s assumed supply where there is a degree of optimism bias on how quickly sites are likely to come forward. Whilst we have focussed on the larger sites, there may be examples of other site specific factors as to why other sites might not come forward. The above does highlight that assumed supply from sites does need to be discounted, with Lichfields’ assumptions likely to be an overall best-case.

Windfalls

3.25 The NPPF (paragraph 48) is clear that windfalls can be used in a calculation of housing supply. However, the NPPF is clear that any windfalls figure needs to be justified and based on sound evidence and that any allowance should not include residential gardens.

“48. Local planning authorities may make an allowance for windfall sites in the five-year 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. Any allowance should be realistic having regard to the Strategic Housing Land Availability Assessment, historic windfall delivery rates and expected future trends, and should not include residential gardens.”

3.26 The assumption that there will be 150 windfall units in 2021 and 100 from 2022-2030 appears to be unjustified. The Housing Topic Paper (SD08) has applied a 25% reduction to extant windfalls which have not commenced development and a 44% reduction to the evidenced

³ <http://roads.highways.gov.uk/projects/m20-junction-10a/>

windfall allowance over the past 12 years (100/177 dpa) to ensure a conservative windfalls estimate. However, there is no such explanation for the 150 dpa windfalls figure in 2021.

- 3.27 The 25% non-delivery rate applied to extant windfalls which have not commenced development is reasonable on the basis of past evidence. The Housing Topic Paper (SD08) compares the amount of homes granted on windfall applications over the past 5 years with the amount of homes actually delivered on windfall sites, which amounts to a non-delivery rate of 23%. The Council has rounded this figure to 25% for application in the windfall calculation. Although it is accepted that there is evidence to apply a non-delivery rate to the extant windfalls figure, it is not clear why the Council has not applied this to all permissions in its housing trajectory.
- 3.28 Therefore, we consider it reasonable to at minimum reduce the windfalls figures in year 2021/22 from 150 to 100 dwellings (-50 units), albeit it may equally be a conservative approach to remove this year's windfall supply altogether, in light of concerns on how the windfall allowance has been calculated (see below).

Best-case Position

- 3.29 The Council considers that it has 4.6 years of housing land supply at 1st April 2017 increasing to 5.05 years from 1st April 2018. When comparing the assumptions made in the Council's assessment against the definitions and requirements of the NPPF and PPG, there are some deficiencies in the Council's approach in respect of housing supply. Having made these adjustments it is our position that the supply in the next five years is no more than 6,334 to 2021/22 or 7,298 to 2022/23, but it may well be less on the basis of more detailed review on other individual sites.
- 3.30 The below assessment in Table 3.4 is based upon the same structure and form of calculation as utilised in the Council's Housing Topic Paper. Alternative approaches and/or different assumptions on supply may well arrive at different outcomes and these will need to be clarified through the Local Plan to ensure effective monitoring can occur (e.g. confirming Liverpool or Sedgefield method, the appropriate requirement to apply etc.). However, it gives us sufficient certainty to conclude that the Council cannot demonstrate a 5YHS under either time period at the current point.

Table 3.4 Ashford Borough Council and Lichfields 5YHLS Assessments (base date 2017/18 and 2018/19)

	2017/18 base date		2018/19 base date	
	Council Position	Lichfields	Council Position	Lichfields
5 year Local Plan requirement	4,295 (5 x 859 dpa)	4,295 (5 x 859 dpa)	4,295 (5 x 859 dpa)	4,295 (5 x 859 dpa)
Delivery shortfall since 2011 (to 2017)	1,773	1,773	1,993	1,993
Sub-total	6,068	6,068	6,288	6,288
(+ 20% buffer)	1,214	1,214	1,258	1,258
TOTAL	7,282 (1,456 dpa)	7,282 (1,456 dpa)	7,546 (1,509.2)	7,546 (1,509.2)
<i>Town Centre Sites</i>	511	511	879	879
<i>Chilmington Green</i>	600	570	800	770
<i>Urban Sites</i>	3,000	2,725	3,460	3,220
<i>A20 Corridor Sites (New allocations)</i>	200	200	250	250
<i>Rural sites</i>	1,422	1,422	1,373	1,373
<i>Neighbourhood Plans</i>	157	157	157	157
<i>Windfalls (Non Allocated sites)</i>	799	< 749	699	< 649
Expected supply (Housing Trajectory)	6,689	<6,334 (Maximum)	7,618	< 7,298 (Maximum)
<i>Supply Surplus/Deficit</i>	-593	-948	+72	-248
<i>Years Supply</i>	4.59 (6,689/1,456)	< 4.35 (6,334/1,456)	5.05 (7,618/1509.2)	< 4.84 (7,298/1509.2)

Source: Lichfields Analysis

4.0 Review of Trajectory

- 4.1 The NPPF sets out that LPAs should identify land supply in order to meet their OAN and that this should be based upon (para 159) realistic assumptions about the availability, suitability and economic viability of land over the plan period. The NPPF is clear that plans should be deliverable (para 173), and national policy states that in plan-making it is “*important to ensure that there is a reasonable prospect that planning infrastructure is deliverable in a timely fashion.*” (para 177).
- 4.2 In order to ensure it is effective, the Ashford Local Plan needs to ensure its housing trajectory is sufficient to meet the housing needs of the Borough, maintain a rolling supply of deliverable land and retain flexibility in order to ensure the Plan's housing requirement is met.

Council Evidence

- 4.3 The Council's housing trajectory is set out at Appendix 5 of the Local Plan in a comprehensive table. It identifies overall delivery of 13,974 dwellings over the period 2017-2030 against a housing requirement within proposed Policy SP2 of 12,950 (a circa 1,000 dwelling headroom). The trajectory is ‘front loaded’ with planned delivery of over 1,700 dwellings in each of 2020/21 and 2021/22, but with more modest annual rates of delivery proposed for the latter part of the trajectory (c.600-750 dpa in the last 5 years).

- 4.4 The information in the trajectory is supplemented by site-by-site information contained within the Housing Topic Paper.

Lead-in Times and Build-out Rates

- 4.5 Underpinning the Local Plan housing trajectory is a range of assumptions and judgements on how quickly sites will come forward (lead-in times) and then how quickly they will deliver new homes (build-out rates). Large strategic housing schemes typically experience long lead-in times, with long periods between initial identification/promotion, allocation and/or applications and then development getting off the ground, with houses being completed on site. Particularly in the case of very large strategic sites comprising thousands of units, they are not a short-term or quick solution to housing land supply. Additionally, the rate at which sites can be built out are affected by range of factors from how quickly developers can sell, to availability of materials and labour, to practical site issues such as access and phasing. Therefore, properly evidenced assumptions on lead-in times and build-out rates are necessary to ensure the trajectory is justified.

National Evidence and Comparators

- 4.6 A wide range of research and evidence has been compiled at a national level on what actually happens on sites and as such what it is reasonable to assume going forward.
- 4.7 In evidence to the draft RSS14 (December 2004), for the East of England, Colin Buchanan undertook a study on behalf of Countryside Properties which looked at the issue of lead-in times and housing completion rates in detail, including looking at several case studies (Cambourne, Chafford Hundred in Thurrock, Church Langley in Harlow, Grange Farm in Suffolk Coastal, Hampton Southern Township in Peterborough and The Wick in Basildon). This study concluded that, even during a period of relative financial stability:
- “The overall rate of development that has historically been achieved from strategic sites overall is only as high as 200 dwellings per annum for individual sites. This is the average that has been achieved since 1980 in the region... The average time between application submission and the first year of build is 5 years. Local plan allocation does not directly affect lag time.”*
- 4.8 More recently, Savills’ report ‘Urban Extensions - Assessment of Delivery Rates’ (October 2014) concluded that *“commencement on the first phase of housing delivery is likely to be in the fifth year following the submission of the outline application”* and that *“once construction starts and in a strong market, annual delivery can be anticipated to be around 60 units in first year of construction, picking up to more than 100 units per annum in subsequent years and increasing to around 120 units.”*
- 4.9 Lichfields has carried out its own national research on such issues which is both more recent and more comprehensive than earlier research, reviewing more than 150 strategic scale schemes. This RTPI award winning research ‘Start to Finish: How quickly do large-scale housing sites deliver?’⁴ concludes that lead-in times typically average c.3 years for smaller strategic sites (up-to 100 units) but that these increase to an average of c.7 years for larger strategic sites of more than 2,000 units. In respect of delivery rates annual build rates for smaller strategic sites (up-to 100 units) average c.30 units each year, but these increase to an annual average of c.160 units for larger strategic sites of more than 2,000 units.

⁴ <http://lichfields.uk/media/1728/start-to-finish.pdf>

- 4.10 This provides some context and reference point for the assumptions being made on such timescales and build-out rates being assumed within Ashford Borough Council's trajectory, particularly in respect of the strategic sites.

Past Delivery Rates in Ashford

- 4.11 As a growth town Ashford has in recent years seen delivery of a number of similar sized sites including Repton Park and Finberry (which are yet to complete) and Park Farm. It is of note that none of these schemes have seen annual completions in excess of 155 dpa in any recent individual year, as set out below (sourced from Ashford AMR's).

Table 4.1 Past Delivery Rates in Ashford

Site	2011/12	2012/13	2013/14	2014/15	2015/16	2016/17	Average dpa
Finberry (1,100 homes permitted out of 4,300 allocated)	~	~	~	59	47	102	69
Repton Park (1,374 homes)	155	103	49	70	67	138	97
Park Farm (2,300 homes)	101	?	?	11	106	86	76

Source: Ashford Annual Monitoring Reports

- 4.12 Although data is incomplete within Ashford Borough Council's monitoring data, average rates of delivery on existing strategic sites in the Borough have been below 100dpa, which provides a helpful benchmark for how quickly new and other strategic sites are likely to deliver.

Ashford's Strategic Allocations

- 4.13 The Council is heavily reliant on five sites of 500+ dwellings which make up 40% of the total housing trajectory, Chilmington Green, Former Powergen site, Finberry, Land NE of Willesborough Road and Court Lodge. If there is any delay from the projected delivery of these sites, it would significantly impact on the ability of the trajectory to meet its housing requirement. We have specifically looked at two of these sites, where it is considered likely that development will not come forward as quickly as envisaged in the trajectory, with consequential impacts on the likely dwellings yielded from the overall trajectory within the plan period.

Chilmington Green

- 4.14 Chilmington Green is by far the largest site which is expected to deliver 2,500 homes in the next 12 years to the end of the plan period. On average this amounts to delivery of 208 dpa, with an initial ramping up from 50 to 150 to 200 units, with peaks in delivery of 250 units per annum over four years and 300 dwellings in the final year.
- 4.15 The evidence on build-out rates above, indicate that typically sites such as Chilmington Green build out at rates up-to c.200 dpa on average. Whilst there are individual examples of developments building-out quicker than that average, the local evidence from recent schemes suggest absorption rates in the market around Ashford are typically lower and therefore it is considered unlikely single sites in Ashford would exceed this notional rate. This clearly highlights that the assumption that Chilmington Green can sustain delivery rates at 250+ dpa in the latter half of the plan period, is unrealistic.
- 4.16 We consider that a more reasonable total dwelling completions figures for the site to 2030 would be c.2,170 homes, with annual delivery rates in the latter half of the trajectory not

exceeding 200dpa from the site. Combined with a slightly increased lead-in time (reflecting most up-to-date evidence on when the first homes are likely to be delivered on the site as set above) this would be a reduction of 330 homes from the trajectory.

Table 4.2 Delivery Rates from Chilmington Green

Source	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	Total
Local Plan Trajectory	0	50	150	200	200	200	200	200	250	250	250	250	300	2,500
Lichfields alternative	0	20	150	200	200	200	200	200	200	200	200	200	200	2,170

Source: Ashford Local Plan / Lichfields

4.17 Table 4.2 above illustrates the impact this would have on the overall trajectory for the site.

Land NE of Willesborough Road, Kennington (S2)

4.18 As set out above, the Land NE of Willesborough Road is unlikely to start delivering in 19/20 as per the trajectory, with it considered a lead-in time of a further two years (to 21/22) is appropriate. Based on the trajectory, this would reduce the amount of delivery on this site from the planned 700 dwellings in the plan period to c.620 as illustrated in Table 4.3.

Table 4.3 Delivery Rates from Land NE of Willesborough Road, Kennington (S2)

Source	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	Total
Local Plan Trajectory	0	0	25	50	75	75	75	80	80	80	80	80	0	700
Lichfields alternative	0	0	0	0	25	50	75	75	75	80	80	80	80	620

Source: Ashford Local Plan / Lichfields

Court Lodge, Kingsnorth (S3)

4.19 As set out above, the Land NE of Willesborough Road is unlikely to start delivering in 20/21 as per the trajectory, with it considered a lead-in time of a further two years (to 22/23) is appropriate. Based on the trajectory, this would reduce the amount of delivery on this site from the planned 950 dwellings in the plan period to c.730 as illustrated in Table 4.4.

Table 4.4 Delivery Rates from Court Lodge, Kingsnorth (S3)

Source	17/18	18/19	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28	28/29	29/30	Total
Local Plan Trajectory	0	0	0	50	90	90	90	90	100	110	110	110	110	950
Lichfields alternative	0	0	0	0	0	50	90	90	90	90	100	110	110	730

Source: Ashford Local Plan / Lichfields

4.20 Combined, necessary amendments to reflect realistic lead-in times and build-out rates on these three strategic sites reduce the numbers of homes achievable within the trajectory and within the plan period to 2030 by **630 dwellings**. Overall this would lead to a developable housing trajectory totalling 13,344; a flexibility of only 3%.

Windfalls

- 4.21 There are some uncertainties surrounding the calculation of the windfall allowance, including whether the data on past windfalls figures includes garden land or large site windfalls.
- 4.22 Whilst the rate of windfall delivery would not appear unreasonable based on past trends, there is no analysis included in the Housing Topic Paper (SD08) which shows the breakdown of the windfall completions delivered over the last twelve years. As such it is not possible to know if the past trends include garden land (as set out above this is explicitly removed under the Framework) or large site windfalls. A windfalls allowance is in place to pick up sites that the Local Plan will not allocate, i.e. sites which are too small to be assessed through the SHELAA but that will still come to fruition over the course of the plan process. However, in past trends data the Council seems to have classified a windfall site as any site which was unplanned for, regardless of size. This is evidenced through the inclusion in the housing trajectory of extant windfalls permissions both not started and under construction of 10 dwellings or above, amounting to some 307 units. If the long term average windfalls completions analysis undertaken by the Council includes large site windfalls, this is likely to introduce an element of double counting in the trajectory because the Local Plan also allocated sites of 10 dwellings or more for housing (which to date would have been classified as windfalls). The Council should undertake the appropriate analysis of this data to exclude garden land and large site for a realistic past trend, alongside the relevant policies in the local plan to ensure its evidence sufficiently robust and reliable.

Ensuring an Appropriate Contingency and Headroom

- 4.23 NPPF para 14 requires that Local Plans should “*meet objectively assessed needs, with sufficient flexibility to adapt to rapid change*” (our emphasis). In practice this means both building into a trajectory sufficient housing supply to meet both OAN and a contingency to reflect any changes that might occur throughout the period of that trajectory. Such changes might be an increase in housing needs, or might be delivery not occurring as expected and anticipated (e.g. allocations may simply not come forward due to infrastructure hurdles, legal difficulties or changing developer priorities).
- 4.24 In this context, the inclusion of headroom in the trajectory of c.1,000 dwellings (c.7.7%) against Policy SP2, is welcomed and is necessary in principle. Maintaining such a buffer against a housing requirement is good practice, reflects positive preparations for delivering housing and provides a safeguard. The conclusion above in respect of the trajectories for individual sites already highlights that this buffer is likely to be much smaller in practice than anticipated within the trajectory.
- 4.25 However, this may be insufficient as the trajectory is unduly realistic about the delivery of strategic sites, but furthermore, there is a significant body of evidence that planning permissions do not consistently translate into completions on site. Indeed, this is the basis on which the Letwin Review is founded to look to explain the gap between the number of planning permissions granted against those built in areas of high demand, with absorption rates (such as discussed above for Chilmington Green) a key area identified for further investigation within his preliminary update⁵. This should be factored into any trajectory to ensure it can adhere to the requirement of the Framework (para 14) to have sufficient flexibility to adapt to rapid change.
- 4.26 Local evidence on the conversion rate of permissions to completions in Ashford does not appear to be available within the Council’s evidence, although this information would be a useful

⁵ <https://www.gov.uk/government/publications/independent-review-of-build-out-preliminary-update>

indicator against which to assess the robustness of the trajectory. Nationally, Lichfields research entitled ‘Stock and Flow Planning Permissions and Housing Output’⁶ unpacks the relationship between planning permissions and the output of new housing. Permission was granted for 261,644 new homes in 2015 in England, whilst net completions in 2015–16 amounted to 189,650 (of which 163,940 were new build). Furthermore, even prior to the Letwin Review, this is an issue with which DCLG is acutely aware. They presented research findings in terms of the non-implementation of permissions and lead-in times in a presentation given by a DCLG Planning Director (Ruth Stanier) to the HBF Planning Conference in September 2015. DCLG research suggests that 10-20% of permissions do not materialise into a start on site for a number of potential factors. In addition it is estimated that c.15-20% of permissions are re-engineered with a re-permission sought, which would have the effect of delaying completions, potentially for a significant period. Clearly, the application of a significant buffer in the trajectory to compensate for such known factors would be commensurate with these DCLG findings.

- 4.27 On the basis of the above 10-20% of permissions not translating into completions on site, a 1,000 unit buffer (c.7.7%) is unlikely to be sufficient. If a 10% buffer were maintained (i.e. a trajectory of 14,245 against a requirement of 12,950) then this would provide sufficient flexibility and a reservoir of sites and allocations which could then carry over to future plan periods.

5.0 Conclusions

- 5.1 In conclusion, it is considered that the Council cannot currently demonstrate a reasonably defensible 5YHLS position, without this the Local Plan cannot be found sound.
- 5.2 Against the base date of 2017/18, the most recent date against which the Council has confirmed completions data to, the Council themselves cannot demonstrate a 5YHLS, but consider they can do so a year later in 2018/19. Notwithstanding our position on the robustness of this calculation, the base date of 2018/19 should not be used until there is certainty of actual completions from 1st April 2017 to 31st March 2018 (the period is not over yet) rather than using projected completions.
- 5.3 Notwithstanding our position on the OAN for Ashford, we agree with the use of a Local Plan housing requirement for the 5YHLS calculation, the application of backlog into the calculation using the Sedgefield approach and the application of a 20% buffer. We do, however, consider that the Council has been too optimistic with regards to supply and that there is clear evidence some sites will not deliver at the rates projected. In the period 2017/18 to 2021/22 355 units of supply should be removed and from 2018/19 to 2022/23 320 units should be removed.
- 5.4 The existing trajectory, due to its assumptions on lead in times and build out rates for a number of the strategic sites, is unduly optimistic and is only likely to deliver c.13,300 dwellings over the plan period, rather than the 13,974 in the trajectory.
- 5.5 In addition there is a need to continue to maintain a significant headroom above any adopted housing requirement in the trajectory in order to provide sufficient flexibility to respond to rapid change (as set out in the Framework para 14). As a minimum we consider this should be no less than 10% of the housing requirement.

⁶ <http://lichfields.uk/media/2517/stock-and-flow-planning-permissions-and-housing-output.pdf>

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