

Attn. David Smith and Steven  
Lee  
Ashford Borough Council  
Civic Centre  
Tannery Lane  
Ashford  
Kent  
TN23 1PL

27 March 2018  
Ref: SS/Let/P1429ii

Dear Sirs,

**Ashford Borough Council Local Plan Examination 2017 – Issue 4.**

This letter has been prepared by ECE Planning on behalf of Millwood Designer Homes Ltd in support of the promotion of Land at Lenacre Hall Farm, Ashford for allocation within the Ashford Local Plan for a residential development.

It responds to the Inspector's Matters and Issues, relevant to our client's site, for Part 1 of the Public Examination of the Ashford Local Plan. ECE's response to the Issues for Part 2 of the Public Examination will be submitted separately.

Before addressing the Issues, we believe it would be useful to provide some context regarding the currently undetermined hybrid planning application at the site at Lenacre Hall Farm (reference: 17/01613/AS) for up to 89 new residential dwellings, with associated access, landscaping, open space and community orchard.

The application is currently 2 months over the Council's statutory timeframe for determination and the applicants believe it is in a position where it can be approved. All statutory consultee responses have been received and a meeting with the Council was held on 1<sup>st</sup> February 2018 where officers agreed the site was in a sustainable location.

All technical issues relating to transport, access, drainage and flood risk, ecology, heritage, and design have been explored and addressed with no significant objections on these technical matters remaining. There has been no objection with regards to the location of the site in sustainability terms and the Council's policy team has raised no comment on the application. The application currently remains in abeyance on the Council's presumption that the currently unexamined plan provides for an advanced 5 year housing land supply.

**Directors**

Chris Barker MATP MRTPI Managing Director  
Huw James MRTPI  
Adam King RIBA

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It is the applicant's view that despite being in a less insensitive location than over recent proposed allocations and in a sustainable location on the fringe of Ashford, the site should be allocated in the emerging Local Plan and the application approved. It has not achieved this status yet as a result of the flawed Local Plan preparation and evidence base, therefore making the Local Plan unsound.

We are of the view that as currently drafted, the Local Plan is unsound for the following reasons:

- It has not planned for an adequate level of housing growth;
- The strategic aims of the Local Plan to direct development in and around Ashford have not been translated into appropriate site allocations;
- Certain sites, such as A20 corridor sites and Rural allocations are unsuitable and unsustainable. In this regard the plan cannot be considered to represent the most sustainable strategic approach to guiding development in the Borough to meet needs;
- The Boughton Aluph and Eastwell Neighbourhood Plan area has been excluded from consideration through the Local Plan process;
- The technical background evidence base, including the Sustainability Appraisal and Strategic Housing and Employment Land Availability Assessment is flawed and fails to consider suitable sites and reasonable alternatives;
- The housing trajectory is not realistic;
- The Council cannot demonstrate a valid five year housing land supply.

It is considered that the site at Lenacre Hall Farm should have been properly considered through the Local Plan process as a potential allocation to assist the Council in meeting their vision and objectives and reduce the need to allocate isolated, poorly located and therefore unsustainable sites for housing provision. On this basis an allocation of the site at Lenacre Hall Farm for appropriate new residential development would assist the Council in making the Local Plan sound.

Each issue is considered separately across 5 individual letters. We address Issue 4 below.

**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?*

In the White Paper 'Fixing our Broken Housing Market' (February 2017), the Government set out their intention to consult on a new standardised approach to assessing housing requirements to provide a more transparent and consistent basis for plan production.

This led to the 'Planning for the right homes in the right places' consultation document which set out the proposed approach to calculating local housing need. Again, the consultation document stated that in absence of a simple, standard approach to assessing local housing need, this process is currently costly, time-consuming and lacks transparency. Additionally, the consultation document notes that when assessing housing need, *'few methods take significant account of the affordability of housing in their area.'*

One area that the consultation document proposes more clarity on is that of market signals where it sets out, under para 21 of the consultation document, a formula for applying market signals.

It should be noted that in their response to the 'Planning for the right homes in the right places' consultation, the Government made clear their intention to proceed with their standardised approach to assessing housing need. Additionally, in the recent 'National Planning Policy Framework' consultation (March 2018), the Government have proposed introducing the new standard method for the calculation of local housing need into paragraph 61 of the NPPF. The details of this methodology are set out in the Draft Planning Practice Guidance (March 2018) accompanying the NPPF consultation. The proposals for applying market signals remains the same as the 'Planning for the right homes in the right places' consultation document.

It is therefore clear from the above that the Government will be implementing their standardised approach to calculating housing need and this has to be a material consideration in the examination of the Ashford Local Plan, specifically when considering the soundness of Policy SP2 – The Strategic Approach to Housing Delivery.

While it is noted that the Main Changes to the Local Plan 2030 Regulation 19 consultation document was produced prior to the 'Planning for the right homes in the right places' consultation, the emerging Plan needs to take account of the new standardised approach to avoid being out of date upon adoption.

This is particularly important given that the new standardised approach to housing provision results in a significantly higher housing requirement than that proposed in Policy SP2 of the Submission Ashford Local Plan. Ashford Borough Council is currently proposing to deliver 16,120 new homes (including 442 homes for 'future proofing' which is not part of the OAN) over the plan period (2011-2030). This equates to 848 dwellings per annum. However, using the Government's standardised methodology, as set out in the Housing Need Consultation Data table that accompanied the Government's September 2017 consultation, Ashford's OAN is significantly higher at 989 dwellings per annum. This equates to a total of 18,791 dwellings over the plan period.

This difference of 2,671 dwellings is significant and cannot be ignored during the course of this examination. As can be seen from our response to Issue 4 vii), this difference almost certainly pertains to the fact that the Council's Strategic Housing Market Assessment has not been adequately adjusted to reflect appropriate market signals. Had the SHMA been adequately adjusted to reflect market signals, the Council's OAN would be closer to that set out in the Housing Need Consultation Data table.

**Therefore, clearly significant weight should be given to the new standardised methodology for calculating local housing need.** There needs to be significant scrutiny to ascertain why the Council's OAN figure differs so significantly from the OAN figure produced by the Government's standardised methodology. In this case, we consider that it is due to inadequate adjustment of the OAN to account for market signals and this clearly needs to be rectified.

*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 growth relevant in determining objectively assessed need?*

The PPG is clear that the purpose of market signals adjustment is to adjust supply relative to assessed demand so that affordability might reasonably be expected to improve over time.

The Council's SHMA 2017 notes that as of 2015, the lower quartile affordability ratio (the ratio between lower quartile house prices and lower quartile earnings) was 9.60. This is notably higher than the national affordability ratio of 7.02. However, despite this high ratio, GL Hearn considered that only a 5% upward adjustment to the OAN should be applied.

However, using the Government's standardised methodology in relation to market signals uplift, an upward adjustment of 35% would need to be applied to the Council's OAN, resulting in an annual requirement of 1061 dwellings (this is significantly closer to the Government's standardised OAN figure of 989 than the Council's own figure of 848 dwellings per annum).

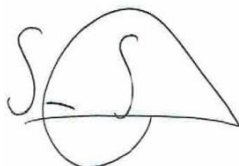
Clearly, the Council have not appropriately accounted for market signals when calculating their OAN. While it is noted that the Main Changes to Local Plan 2030 (2017) was produced prior to the 'Planning for the right homes in the right places' consultation, the emerging Plan needs to take account of the new standardised approach to avoid being out of date upon adoption.

Additionally, it is important to note that representations made by other parties on the Main Changes to Local Plan 2030 (Regulation 19) document (July 2017) raised the issue that the 5% uplift to the OAN proposed in the SHMA to account for market signals was not enough and that 15% to 25% would be more appropriate. Ashford Borough Council should have amended their SHMA and their housing requirement accordingly. The view that the Council's market signals uplift was insufficient has now been supported by the Government's proposed standardised methodology for assessing housing need which suggests an uplift of 35%.

The result of this is that the Council need to increase their housing requirement by at least 2,671 dwellings to 18,791 dwellings over the plan period and allocate additional sites accordingly.

If you have any further queries or require further information please contact me on 01903 248777.

Yours sincerely  
ECE Planning

A handwritten signature in black ink, appearing to be 'S. Sykes', written over a horizontal line.

Sam Sykes MRTPI  
**Associate Planner**