
HEARING STATEMENT

SESSION 2B – HOUSING POLICIES DM11-DM15
05 OCTOBER 2016 - PM

MAIDSTONE BOROUGH LOCAL PLAN
EXAMINATION

EXAMINATION HEARING SESSIONS

PREPARED ON BEHALF OF
GLEESON DEVELOPMENTS LTD (REPRESENTOR ID REF 19261)

September 2016

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MAIDSTONE BOROUGH LOCAL PLAN EXAMINATION
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Prepared on behalf of Gleeson Developments Ltd

Project Ref:	24690/A5
Status:	FINAL
Issue/Rev:	04
Date:	14 September 2016
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Ref: 24690/A5/EW/mg
Date: 14 September 2016

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Word Count: 1,462 words (excluding Inspector's Questions and title pages)

1.0 INTRODUCTION

- 1.1 This Hearing Statement has been prepared on behalf of Gleeson Developments Ltd in respect of Session 2B of the Inspector's Matters, Issues and Questions for the Maidstone Borough Local Plan (MBLP) Examination.
- 1.2 Session 2B relates to housing policies DM11 to DM15 of the MBLP. This Statement is confined to comments on Policy DM13 (Affordable Housing) only and seeks an amendment to the Policy by way of a Main Modification.

2.0 RESPONSE TO SESSION 2B – HOUSING POLICIES DM11-DM15

Policy DM13 – Affordable Housing

Issue (vi) – Whether the target percentages of affordable housing provision are justified and would be effective in meeting the overall target

Policy DM13 Part 1

- 2.1 For development sites of 5no. residential units or more, Policy DM13 Part 1 seeks a target rate of 30% affordable housing provision for sites located within the Maidstone urban area, with the exception of Policy H1(11), and a rate of 40% in countryside, rural service centres and larger villages.
- 2.2 As set out in our LPREG19 (2016) (para 8.16) representations, we do not consider that the wording within Policy DM13 Part 1 is justified as it fails to take account of individual site characteristics and locations. It does not take into account development sites located adjacent to the built-up boundary to Maidstone, which are defined within the countryside in planning terms, but bear a greater relationship to the urban area than the surrounding rural context, both in physical characteristics and viability terms.
- 2.3 In applying this rigid 'cut-off' point between countryside and urban area, the Policy wording is not appropriately reflecting or responding to MBC's viability evidence base [DEL 001 Economic Viability Testing 2013 and DEL 002 Revised Plan and CIL Viability Study 2015] and relevant market conditions that sites immediately adjacent to urban boundaries are influenced by.

- 2.4 By way of example, a number of urban extension sites proposed for allocation in north-west Maidstone (H1(1) Bridge Nursery, H1(2) East of Hermitage Lane, H1(3) West of Hermitage Lane) were subject to a detailed appraisal within MBC's Viability evidence [DEL 001]. The Study tested such sites against varying rates of affordable housing (para 7.1.1). It was shown that for sites located in north-west Maidstone, adjacent to existing residential areas, 40% affordable housing provision was not achievable. As a result, these emerging allocations are now subject to a 30% affordable housing target under Policy DM13.
- 2.5 The Viability Study [DEL 001] also undertook viability testing on different levels of affordable housing for main site types, including 'urban extension sites at Maidstone'. It includes a series of tables showing the Study's results (pages 53-54), which demonstrate that at 40% provision, urban extension sites adjacent to the Maidstone urban area are **not** viable.
- 2.6 By way of example, based on the findings of DEL 001, if the Fant Farm omission site was allocated it would be subject to a 30% affordable housing target. However, the current wording of the Policy, it is instead subject to a 40% requirement, which the evidence base confirms as being unviable.
- 2.7 The proposed allocations at north-west Maidstone, tested in DEL 001, display similar characteristics to development sites that could come forward adjacent to the urban area, but within the countryside. Under the current wording of Policy DM13, such unallocated sites would be subject to a 40% affordable housing target, which is not reflective of MBC's evidence base that refers to the edge of Maidstone as a location that has specific market influences and identifies that such a requirement is unachievable.
- 2.8 Indeed Policy DM24 of the Regulation 18 version Local Plan [ORD 21] recognised this position. The supportive text to Policy DM24 Paragraph 11.127 states:

11.127 Affordable housing targets will differentiate across the borough by geographical area and existing land use, this is due to relative issues such as land price and policy considerations. Previously developed land, within the urban area, will be required to provide the lowest level of affordable housing contribution, primarily because of existing use values, meaning that it costs more to regenerate sites and areas that may otherwise remain unused or under used. On greenfield and private residential garden sites in the urban area and around the urban periphery, the council recognises that land may be relatively more expensive because of the expectation of policy coming forward to develop these sites, giving a hope value. Sites at urban periphery locations can also reasonably expect to contribute to a wide range of infrastructure requirements as well as affordable housing. Evidence has indicated that in rural locations and on the edge of rural settlements, although land values are higher, so are the values of the

**developments. In these areas development remains viable when factoring in higher affordable housing targets, still returning acceptable profits for landowners and developers.
(our underline)**

2.9 Policy DM24 states in part:

1. The target rates for affordable housing provision are:

- i. Previously developed land - urban - 15%;**
- ii. Greenfield and private residential gardens - urban and urban periphery - 30%; and**
- iii. Countryside, rural service centres and larger villages - 40%.**

2.10 No justification has been provided as to why the current Affordable Housing Policy removed reference to the urban periphery. Updated Viability Evidence was prepared titled CIL Viability Study (July 2015) [DEL 002]. However, this document was to test the viability of the plan, and took a black and white approach to countryside/urban areas (para 5.2.2), and did not undertake the same level of detailed assessment as the 2013 Study [DEL 001].

2.11 The consequence of the amended text now means that sites on the urban periphery are being refused by the Council, where prior to the 2015 Regulation Local Plan being released, they were being approved – even though there has been no change to the Evidence Base material to the Affordable Housing requirement.

2.12 In our experience, the Policy as drafted will not be effective. An example of this can be found in Braintree District Council (BDC), Essex, whereby its current adopted Core Strategy (2011) sets a target of 40% affordable housing provision on sites in rural areas, and a 30% target on sites in urban areas (Policy CS2). That policy requires:-

Affordable housing will be directly provided by the developer within housing schemes on the following basis:

- 1. A target of 40% affordable housing provision on sites in rural areas, excluding the Parishes of Sible Hedingham and Great Notley and the proposed growth location in the Parish of Rivenhall.**
- 2. A target of 30% affordable housing provision on sites in the urban wards of Braintree and Bocking and Witham; including the proposed growth locations in Halstead, the parishes of Sible Hedingham and Great Notley and the proposed growth location in the parish of Rivenhall.**

2.13 The Policy is rigid in its application of urban area and rural and the target Affordable Housing percentages required. Since the adoption of the Core Strategy (2011), numerous developers have challenged this position as it does not allow for a variation in the Affordable Housing provision, without justifying this through viability appraisals. This adds to unnecessary delay and uncertainty and demonstrates the Policy is not effective.

2.14 BDC is now currently preparing a new Local Plan. As part of this, its draft Affordable Housing Policy (LLP24), seeks to rectify this matter and now states:

Affordable housing will be directly provided by the developer within housing schemes at the targets set out below.

A target of 30% of the total number of residential units on sites located in the main towns of Braintree (including Great Notley, Bocking and High Garrett), Witham, Halstead, Sible Hedingham and development sites directly adjacent to these areas.

A target of 40% of the total number of residential units sites in all other areas.
(our emphasis)

2.15 As currently drafted, Policy DM13 of the MBLP is too simplistic and results in a Policy that is not 'effective' nor is it 'justified'. It is not supported by the Evidence Base [DEL 001].

2.16 We therefore propose the Policy wording is amended as follows:

The target rates for affordable housing provision within the following geographical areas, as defined on the policies map, are:

- i. **Land immediately adjacent to and within the Maidstone urban area 30%, with the exception of policy H1(11) Springfield, Royal Engineers Road 20; and**
- ii. **Countryside, rural service centres and larger villages 40%.**

Policy DM13 Part 2

2.17 As per para 8.18 of our LPREG19 (2016) representations, we consider that the Policy wording of Policy DM13 Part 2 is not consistent with the NPPF (para 50, bullet 3), and the Policy should be amended as follows:

Affordable housing provision should be appropriately integrated within the site. Where robustly justified, and the agreed approach contributes to the objective of creating mixed and balanced communities, ~~In exceptional circumstances, and where proven to be necessary,~~ off-site provision will be sought in the following order of preference:

- i. An identified off-site scheme;**
- ii. The purchase of dwellings off-site; or**
- iii. A financial contribution towards off-site affordable housing.**