

Local Plan Update

Development and Conservation Advisory Committee - 2 December 2021

Report of: Deputy Chief Executive, Chief Officer - Planning & Regulatory Services

Status: For Information

Executive Summary: This report provides an update on the Local Plan and outlines the next steps in the plan making process.

This report supports the Key Aims of:

Protecting the Green Belt

Supporting and developing the local economy

Supporting the wellbeing of residents, businesses and visitors

Ensuring that Sevenoaks remains a great place to live, work and visit

Portfolio Holder: Cllr. Julia Thornton

Contact Officer: James Gleave ext. 7326

Recommendation to Development and Conservation Advisory Committee:

That the Development and Conservation Advisory Committee

- a) Notes the content of the report.

Background and Introduction

- 1 Members were last updated on the Local Plan in October, when Officers briefed them on the emerging evidence base and the next steps to move the plan forwards, including discussions with what is now the Department for Levelling Up, Housing and Communities (DLUHC). This report provides an update on these points and focusses specifically on the outcomes of the Council's Targeted Review of Local Housing Needs.

Discussions with DLUHC

2. A further discussion took place between officers and representatives from DLUHC on 4th November. Key points were as follows:
 - SDC set out the common purpose of the meeting - to provide support for the Council to get a sound plan in place at the earliest opportunity.

- DLUHC noted that they cannot advise on the content of the Local Plan but could facilitate PAS involvement, PINS Advisory Visits, signpost good practice and toolkits.
- SDC noted the intention to build on the previous evidence base produced for the 2019 plan, updating and expanding this where necessary.
- DLUHC recommended that the Council seeks its own legal advice on the intended strategy.
- SDC noted the on-going and well-documented duty to co-operate (DtC) discussions with neighbouring authorities, including through Statements of Common Ground (SoCG).
- A brief discussion took place regarding how wide to 'cast the net' for DtC discussions. DLUHC noted that in other areas, discussions have not generally gone beyond the Housing Market Area (HMA), but wider consideration may be required on some occasions.
- SDC ran through the proposed Local Development Scheme (LDS). DLUHC noted it is tight timetable, but an ambitious and deliverable timetable is important to get a plan in place as soon as possible.
- Updated evidence base documents were discussed in response to the issues raised at the previous examination, changes to national policy and the post-covid environment.
- Meetings with DLUHC will be convened at four monthly intervals. Dates are still to be agreed.

Updated Evidence Base

3. Members were given an overview of emerging evidence base documents in October. The following paragraphs provide an update on these studies.

Town Centre Strategy (TCS)

4. Work on the Town Centres Strategy, covering Sevenoaks Town, Swanley, Edenbridge and Westerham, together with a review of New Ash Green, is ongoing. Strategic Planning and Economic Development jointly appointed Allies and Morrison (A&M) in the autumn to prepare this strategy, which will play an important role in helping to shape the future of the District and the Town Centres, developing a clear vision and priorities for each place.
5. Throughout October, A&M undertook community engagement, consulting with a number of stakeholders who are involved with town centre management, including councillors, town/parish councils, neighbourhood planning groups, Chambers of Commerce and members of the public. Approximately 40 participants attended a virtual stakeholder workshop on 21st October, which included break-out rooms focused on the individual high streets.
6. During November, the in-street retail surveys and household retail telephone surveys have been completed and the consultant team is now drafting initial findings. A member briefing to discuss the draft strategy will

take place on 14 December (6pm) and the document is due to be finalised by the end of the year.

District-wide Character Study (DWCS)

7. The DWCS is progressing well. The survey associated with the work closed on Monday 8th November and received 494 responses. A&M have presented the findings to date at the stakeholder workshop on 17th November. Further updates will be provided at the meeting in December.

Settlement Capacity Study (SCS) and Call for Sites

8. Officers provided an update on the SCS at the meeting in October. Landowners of the sites identified in the study have been contacted to advise them of the call for sites process and how to submit sites for consideration, should they wish to do so.
9. The Stage 1 Call for Sites invites the submission of sites in non-Green Belt locations and commenced on 19th October. The Stage 2 process, for all other areas of the District, began on 25th November. The submission deadline for Stage 1 and Stage 2 is 20th January and feedback will be provided to members on the sites received at the next meeting.

Targeted Review of Local Housing Needs (TRLHN)

10. The TRLHN is now almost complete and the final report will be published in December. Members will receive a short presentation on the key outcomes at the meeting.

Other Housing Matters

11. The following paragraphs provide information on two specific aspects that have been considered by the Health and Housing Advisory Committee (HHAC).

First Homes

12. In June 2021, the Government announced a new affordable housing product called First Homes. The First Homes scheme is designed to help local first time buyers and key workers onto the property ladder, by offering homes at a minimum 30% discount compared to the market price. The national First Homes policy is as follows:
 - 30% discount on open market value in perpetuity;
 - Capped maximum discounted sale price of £250,000 at initial sale;
 - All first time buyers are eligible;
 - Annual household income cap of £80,000 applies; and
 - Subsequent to the delivery of 25% First Homes, the Social Rented Housing tenure has priority.
13. From 28th December 2021, all planning permissions for major development (10+ units) that trigger an on-site affordable housing requirement under

Core Strategy Policy SP3 will be required to deliver 25% of the affordable housing requirement as First Homes. First Homes must be provided before all other tenures of affordable housing.

14. For example, a site providing 100 units would be required to deliver 40 units of affordable housing, of which 10 units (25%) would be First Homes, with the remaining 30 units split between 65% social/affordable rented (20 units) and 35% intermediate (10 units), as per Core Strategy Policy SP3.
15. The TRLHN has considered how First Homes could work in Sevenoaks District. It recommends that, in order for First Homes to contribute to meeting local housing needs, a local Sevenoaks District specific policy is justified. It is therefore proposed to introduce a local First Homes policy that sets out the following requirements:
 - 50% discount on open market value (instead of the default 30%);
 - A capped maximum discounted sale price of £250,000 at initial sale (this is set nationally). The TRLHN demonstrates that this may be difficult to deliver in some areas and a commuted sum paid in lieu may be preferable in such cases;
 - For a limited marketing period of 3 months (this period is set nationally), priority will be given to first time buyers with a local connection to the District or Service Personnel or Local Essential Workers;
 - An annual household income cap of £56,250 (based on a £250,000 discounted sale price, with 10% deposit and 4x income multiplier);
 - Core Strategy Policy SP3 will continue to apply with the split of 65% homes for social and affordable rent tenures and 35% for intermediate tenures. However, this split is further refined as follows and will apply unless otherwise agreed by the Council on a case by case basis:
 - 58% social rented housing
 - 7% affordable rented housing
 - 25% first homes
 - 10% other intermediate tenures, including shared ownership
 - Confirmation that First Homes Exception Sites will not be permitted in areas designated under S157(1) of the Housing Act (designated rural areas i.e. AONB) or areas within the Green Belt;
 - A reasonable charge to be made to first time buyers for application processing;
 - The policy should be reviewed annually, to ensure the Council keeps pace with housing needs data and any delivery bottlenecks;
 - For parity, the intermediate tenure 'discounted market housing for sale' should be amended to require a 50% discount, rather than the minimum 20% discount set nationally. This is to better reflect the housing needs of the District and to ensure the continued provision of shared ownership housing.

16. The proposed Sevenoaks District First Homes Policy was discussed at the HHAC on 23rd November and will be considered by Cabinet on 9th December. Subject to Cabinet's agreement, the Policy will be set out in an update to the Affordable Housing Supplementary Planning Document and published prior to 28th December 2021, when the First Homes scheme is implemented.

Designated Rural Areas

17. Designated Rural Areas are described in S157(1) of the Housing Act 1985 as areas within National Parks or an Area of Outstanding Natural Beauty (AONB). 60% of land in the District meets this definition and therefore has Rural Area status.
18. Designation of a Rural Area provides the Council with scope to restrict the consequences of the Right to Buy. It allows for restrictive covenants to be put in place so that affordable housing can only be sold on to individuals that have been living or working in the relevant parish for 3 years. Rural Area status affects thresholds for the provision of affordable housing. In particular, contributions can be made for schemes of 6-9 units, as opposed to the national default of 10+ units.
19. Guidance from DLUHC advises that local authorities may apply to the Secretary of State for additional Rural Areas under S157(1) of the Housing Act 1985. To be eligible, parishes must have a population density of less than two persons per hectare and any settlements must have a population of less than 3,000. There is some flexibility in these provisions.
20. The designation of additional Rural Areas will help to protect the Council's rural exceptions housing programme, as set out in Core Strategy Policy SP4. The Areas are excluded from consideration as First Homes Exemption Sites. This exclusion will help to ensure the continuation of Rural Exception Sites and the delivery of genuinely affordable housing across the District.
21. The proposal to seek Rural Area designation for additional parishes was discussed by HHAC on 23rd November and will be considered by Cabinet on 9th December. Subject to Cabinet's agreement, an application will be made to the Secretary of State under S157(1) of the Housing Act 1985.

Next Steps

22. Officers will continue to progress the plan making process in accordance with the updated LDS, which was approved by Cabinet on 11th November.

Emerging Trends

23. Following discussions in October, officers have established a 'Survey Monkey' poll to determine members' preferred topics for presentation. The results of this exercise will be reported at the meeting in December.

Key Implications

Financial

The production of the Local Plan will be funded from the Local Plan reserve.

Legal Implications and Risk Assessment Statement.

Preparation of a Local Plan is a statutory requirement. There are defined legal requirements that must be met in plan making, which are considered when the Plan is examined by a Government Planning Inspector. Risks associated with the Local Plan are set out in the Local Development Scheme.

Equality Assessment

The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

Conclusion

Officers will be happy to take any questions on the content of this report at the meeting.

Appendices: None

Background Papers: None

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