

Housing Need Assessment

"To determine the minimum number of homes needed, strategic policies should be informed by a local housing need assessment, conducted using the standard method in national planning guidance – unless exceptional circumstances justify an alternative approach which also reflects current and future demographic trends and market signals" (The National Planning Policy Framework, February 2019)

So, the **methodology** to calculate the number of houses required in the Borough of Tunbridge Wells throughout the plan period is set by national planning guidance¹. However, it is the responsibility of the Borough Council to determine the actual housing requirement numbers using the most up-to-date information and local demographic and migratory trend.

The Housing Needs Study 2018² proceeded the Sevenoaks and Tunbridge Wells Strategic Housing Market Assessment (2015)³ and the Tunbridge Wells SHMA Update (2017)⁴. The latter states:

- CLG household projections (which link to ONS population projections) are robust and should be used as the 'start point' for assessing housing need.
- These projections can be sensitivity tested where there is evidence of changes over time (e.g. short-term changes to migration patterns) or where UPC may be related to recorded migration levels.
- Up-to-date information should be used where possible and this will include later releases of ONS mid-year population estimates (MYE)

All of these evidenced a decline in the projected population increase from **18,830** in the 2015 report, to **13,859** in the 2017 Update using updated ONS SNPP figures. The Regulation 19 Local Plan uses the latest data produced by the Office of National Statistics (ONS) and now estimates that the population of the borough is likely to increase by just **6,155** over the plan period 2020-2038. Although not an exact science (and further complicated by changes in the timescales and respective datasets used throughout the evolution of the Local Plan), it is clear that the growth in population across the Borough is slowing significantly, as evidenced by these changes in forecast population figures throughout the various iterations of the Local Plan and yet the latest version of the Plan still does not seem to take this into account.

The Housing Needs Study 2018 used the 13,859 population growth figure and projected that the number of households across the Borough would increase by 7,757 to 2033 (Page 57) and this formed the basis of the Regulation 18 Draft Local Plan – and despite minor alterations to the Plan period in question, these figures remain the cornerstone, or "start point" on which the entire Local Plan is based.

¹ <https://www.gov.uk/guidance/housing-and-economic-development-needs-assessments>

² http://www.tunbridgewells.gov.uk/__data/assets/pdf_file/0019/132256/711D8F912E166417E0531401A8C086E8_Tunbridge_Wells_HNS_draftreport_May_2018V4.pdf

³ http://www.tunbridgewells.gov.uk/__data/assets/pdf_file/0007/98521/SHMA-final-September-2015.pdf

⁴ http://www.tunbridgewells.gov.uk/__data/assets/pdf_file/0009/195831/6E94B040D7E37067E0531401A8C04146_SHMA_Update_2017.pdf

However, the 2014-based Subnational population projections and respective local Household projections which TWBC used for these calculations is now recognised as being out of date and recent planning guidance has acknowledged this by proposing an amendment to the standard method. However, due to the aspirational delivery timescale of the Tunbridge Wells Local Plan this new methodology has not been incorporated into the foundations of the plan. Nor have the Council felt that there were “exceptional circumstances” to consider an alternative calculation to that of the Standard Method or even to have proposed incorporating more recent figures.

We recognise that the Government confirmed that 2016-based Household Projections should not be used as a reason for justifying lower housing need due to a change in the way the ONS calculated these figures. However, they did not indicate that these data should not be considered to support planning forecasts if the council chose to propose an alternative calculation based on “exceptional circumstances” – and the threshold for claiming “exceptional circumstances” must have been reached for the Council to be considering using Green Belt designation land for the vast majority of the development within the Plan period.

For context, the ONS released the 2018 population estimates data on 24th March 2020⁵ and the 2018 Household projections data on 29th June 2020⁶.

In summary, the main anomalies still exist. In fact, they become far more pronounced:

1. Household numbers will increase from 49,872 (2020) to 55,755 (2038) = **5,883**
2. The population will increase from 118,848 (2020) to 125,003 (2038) = **6,155**
3. The average number of people per household will decrease from 2.35 (2018) to 2.18 (2038)
4. The largest increase in demographic group is the 65+ years (**+9456** persons), representing the entire population increase. Age groups 0-54 are predicted to **decrease by 4,449** persons.
5. The migration variants suggest that during the plan period 2020-38 the entire population of the borough could increase by between 6,008 - 6,999 so migration as a variable is not likely to significantly affect the projected population or corresponding housing requirement by the end of the Plan period.

The NPPF expects strategic policy making authorities to follow standardised method for assessing housing need and to use the 2014 Household projections to inform this. This incorporates a formula to identify the minimum number of homes needed over the plan period. This formula incorporates projected household growth and historic under-supply. The baseline is set in the household growth projection. There then has to be an adjustment to take into account of affordability (using median workplace-based affordability ratios).

Tunbridge Wells latest ratio⁷ (released by ONS on 25th March 2021) is 13.3.

⁵<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationestimatesforukenglandandwalesscotlandandnorthernireland>

⁶<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationprojections/datasets/householdprojectionsforengland>

⁷<https://www.ons.gov.uk/peoplepopulationandcommunity/housing/bulletins/housingaffordabilityinenglandandwales/2020#national-and-regional-analysis>

Guidance states that these figures should be applied to calculate growth over a consecutive 10 year period. However, if this is applied to the total plan period (2020-38) it gives an **uncapped** figure of **9,305** houses. Capping can be applied depending on when the last time the strategic policies were reviewed. So, this figure represents the highest number.

In summary, these calculations are academic as they use a different, more recent and arguably more accurate data set and as such deviate from the Government Standard Method. However, they do demonstrate a significant discrepancy (24%) from Tunbridge Wells Borough Council's 12,200 houses proposed in the Regulation 19 Local Plan. This difference nearly equates to the total number of houses planned for the Greenbelt around Capel.

There is clearly an existing unmet housing need across the Borough in terms of suitability and tenure type as shown in the Housing Needs Survey. But it is hard to believe that building 12,200 new houses for a projected increase of 6,100 residents is the best way to address this issue – especially as the vast majority of this increase would be persons of retirement age.

We welcome the independent finding of Icení (Review of Local Housing Needs, December 2020)⁸ which was commissioned by the council following the Regulation 18 consultation in order to address a number of objections and concerns submitted. However, we do not agree with a number of the conclusions or findings primarily because they do not accept that the demographic nuances of Tunbridge Wells (as outlined above) represent sufficient cause to claim “exceptional circumstances” and seek an alternative analysis of the true housing needs of the area and the projected population. As such, the report seems to try to justify the use of the Standard Method and compare the output of this method to what could be expected under the newly proposed method, rather than providing a balanced assessment of the actual situation and presenting a variety of options.

In conclusion, this topic is always likely to be the most contentious as it sets the foundations for the growth requirements of the borough which in turn impact residents both financially and from a quality of life perspective. The Local Plan should be in place to best serve the requirements of both the current and future residents of the borough. Analysis of all the demographic and market trends leads us to believe that the proposed Garden Village Growth Strategy does little to support the current or future needs of the increasingly elderly population of the borough. The opposite in fact – it is designed to provide significantly more houses than the residents or their families will require in an attempt to depress local house prices in order to encourage net migration into the area from parts of the country with even higher affordability ratios (i.e. the London boroughs).

As such, the Plan is unsound as it does not deliver against the most fundamental objective of serving the best interests of the residents of the borough.

⁸ https://tunbridgewells.gov.uk/__data/assets/pdf_file/0011/385319/Review-of-Local-Housing-Needs-Icení,-December-2020.pdf