

Technical Note

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From Wates Developments Ltd

Subject Canterbury Local Plan 2040 (Reg.18): Housing Need and Requirement

This technical note supports representations prepared on behalf of Wates Developments Ltd ('Wates') who have a land interest at 'Land South of Bekesbourne Lane.'

Executive Summary

Policy SS3 proposes a housing requirement of 1,149 homes per year. The requirement is the 'uncapped' standard method figure for the district (calculated using a 2023 base year and the 2022 affordability ratio). There are now updated inputs to the standard method and moving forward, the Council will need to continue to update its local housing need ahead of submission. The latest inputs show that affordability has worsened in Canterbury and therefore the uncapped figure has risen to 1,170 homes per year (using a 2024 base year). Conversely the capped figure has fallen to 1,141 homes per year given the cap applies to household projections (which are reduced). The uncapped figure should be preferred noting the Council already seeks to meet its uncapped figure, that affordability is worsening, that the cap is not required to ensure deliverability in Canterbury, and that the cap applied does not reduce need (as per the PPG). This is still fewer homes per year than was sought in the former Reg.18 plan (Oct 2022): that sought to deliver an average of 1,252 homes per year.

As a minimum, the Council should be updating its requirement and plan for the latest uncapped figure: resulting in the total requirement increasing to 24,570 homes over the proposed 21-year plan period (or 25,740 over the extended 22-year plan period we advocate in our main representations). Notwithstanding, there are reasons to plan for a greater figure than the latest uncapped figure and the Council has not sufficiently explored these, as it is required to do so in policy and guidance:

- 1) The Council will need to update its testing of reasonable alternatives in respect of what housing requirement may be appropriate in the next iteration of the SA report. This is owing to a misinterpretation and misapplication of national policy in terms of seeking to plan for a requirement above the standard method;
- 2) The Council will need to consider the specific reasons for why it might be appropriate to plan for a higher housing requirement. This includes: (a) whether it could and should deliver more homes to meet the need for affordable housing (noting current plan will not meet these needs); (b) whether more homes are needed to support the stated local economic objectives of the Plan noting the level of employment floorspace being planned for far outstrips the commensurate housing necessary to support it. As a result of this (c) consider the effects of greater in-commuting to the district resulting from the level of housing and employment floorspace being allocated, and the impact that would have on achieving sustainable transport aims; and (d) consider the needs for student accommodation in Canterbury.

In undertaking a revised consideration of the housing requirement will ensure a future plan is positively prepared and consistent with national policy (as per NPPF para 35). The Council's current draft Plan, its objectives, and supporting evidence all point to the appropriate housing requirement being higher than it is currently set.

1.0 Introduction

- 1.1 This Technical Paper has been prepared by Lichfields on behalf of Wates Developments Ltd to support its representations to the Reg.18 consultation on the Canterbury Draft Local Plan 2040 (Apr 2024). It supports the main representations and should be read in conjunction with them.
- 1.2 This paper addresses the appropriate housing needs of Canterbury district and the appropriate housing requirement to plan for in policy.

2.0 National Policy and Guidance

National Planning Policy Framework (Dec 2023)

- 2.1 In order to deliver a sufficient supply of homes, the National Planning Policy Framework ('NPPF') sets out that it is important that a sufficient amount and variety of land can come forward where it is needed, that the needs of groups with specific housing requirements are addressed and that land with permission is developed without unnecessary delay (NPPF para 60). It goes on to state that:

“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. The outcome of the standard method is an advisory starting-point for establishing a housing requirement for the area. There may be exceptional circumstances, including relating to the particular demographic characteristics of an area which justify an alternative approach to assessing housing need; in which case the alternative approach should also reflect current and future demographic trends and market signals.” (NPPF para 61)

- 2.2 Having considered need, the NPPF sets out (para 67) that:

“Strategic policy-making authorities should establish a housing requirement figure for their whole area, which shows the extent to which their identified housing need (and any needs that cannot be met within neighbouring areas) can be met over the plan period. The requirement may be higher than the identified housing need if, for example, it includes provision for neighbouring areas, or reflects growth ambitions linked to economic development or infrastructure investment.”

- 2.3 The NPPF sets out the principles that overall housing needs and/or an appropriate housing requirement may be higher than the figure for local housing needs identified via the standard method.

Planning Practice Guidance

Assessment of housing need

- 2.4 The housing need assessment methodology referred to in the NPPF was originally published in 2019 and is known as 'the standard method'. The PPG confirms that housing need is:

“...an unconstrained assessment of the number of homes needed in an area... The National Planning Policy Framework expects strategic policy-making authorities to follow the standard method in this guidance for assessing local housing need....” (PPG ID: 2a-001 to ID: 2a-002).

- 2.5 The PPG also confirms that the standard method identifies the “*minimum annual housing need figure*” (our emphasis). Whilst its use is not mandatory, the PPG sets out the circumstances in which alternatives can be used, including that:
- Where an alternative approach arrives at a **lower** local housing need than the standard method, then robust evidence will be needed to demonstrate that the figure is based on realistic demographic assumptions and that there are ‘exceptional local circumstances’ (PPG ID: 2a-015) with local authorities to expect that such alternative approaches will be “*scrutinised more closely at examination*” (PPG ID: 2a-003).
 - Where an alternative approach identifies a local housing need **higher** than the standard method, and adequately reflects demographic trends and market signals, “*the approach can be considered sound as it will have exceeded the minimum starting point*” (PPG ID: 2a-015).
- 2.6 This standard method for assessing local housing need is broadly as follows:
- **Step 1: Set the baseline** using the 2014-based household projections for the local authority area over the next 10-year period;
 - **Step 2: Uplift this figure** by a given percentage (using a set formula) based on the latest median workplace-based affordability ratio for the area. The higher the affordability ratio (i.e. the worse affordability is in the area) the greater the percentage uplift. The affordability adjustment is applied because household growth on its own is insufficient as an indicator of future housing need; an affordability adjustment ensures local housing need responds to price signals;
 - **Step 3: Cap the level of increase** in certain circumstances. Where relevant strategic housing policies were adopted in the last five years, the local housing need figure is capped at 40% above the existing housing requirement set out. Where relevant policies are more than five years old, the cap is 40% above whichever is higher of household growth [as per Step 1] or the existing housing requirement.
- The cap is applied to help ensure that the minimum local housing need figure calculated using the standard method is as deliverable as possible, however, whilst reducing the minimum number identified by the standard method “*does not reduce housing need itself*” (PPG ID: 2a-007), noting that “*where the minimum annual local housing need figure is subject to a cap, consideration can still be given to whether a higher level of need could realistically be delivered.*”; and
- **Step 4: Urban area uplift.** For the 20 largest cities and urban areas an additional 35% uplift is applied [n.b. this does not apply to Canterbury].
- 2.7 In addition, the PPG goes on to set out the circumstances in which it might be appropriate to plan for a higher housing need figure than indicated by the standard method:

“The government is committed to ensuring that more homes are built and supports ambitious authorities who want to plan for growth. The standard method for assessing local housing need provides a minimum starting point in determining the number of homes needed in an area. It does not attempt to predict the impact that future government policies, changing economic circumstances or other factors might have on demographic behaviour. Therefore, there will be circumstances where it is appropriate to consider whether actual housing need is higher than the standard method indicates.” (PPG ID: 2a-010, our emphasis)

- 2.8 Examples of such circumstances are given and include – but are not limited to – situations where increases in housing need are likely to exceed past trends because of:
- Growth strategies for the area that are likely to be deliverable, for example where funding is in place to promote and facilitate additional growth (e.g. Housing Deals);
 - Strategic infrastructure improvements that are likely to drive an increase in the homes needed locally; and/or
 - An authority agreeing to take on unmet need from neighbouring authorities, as set out in a statement of common ground.
- 2.9 The PPG also confirms that assessing housing need is the first step in the process of a local authority deciding how many homes need to be planned for through a local plan. The assessment of need should be undertaken separately from assessing land availability, establishing a housing requirement figure, and preparing policies to address this such as site allocations.

Housing needs of different groups

- 2.10 As well as setting out the formula for the standard method for assessing overall housing needs, the PPG also sets out guidance on assessing the need for different types of housing. These include guidance on assessing:
- Affordable housing needs;
 - The housing needs of older and disabled people; and
 - The housing needs of other groups including the private rented sector, self-build, and student housing.
- 2.11 Notably, PPG highlights that the needs of different groups, when aggregated, may well exceed, or be proportionally high in relation to, the overall housing need figure calculated using the standard method (this is often the case with affordable housing, but can also be true for other groups). This is because the needs of particular groups will often be calculated having consideration to the whole population of an area as a baseline as opposed to the projected new households which form the baseline for the standard method. With regard to affordable housing the PPG explicitly states that:

“...The total affordable housing need can then be considered in the context of its likely delivery as a proportion of mixed market and affordable housing developments, taking into account the probable percentage of affordable housing to be delivered by eligible market housing led developments. An increase in the total housing requirement included in the plan may need to be considered where it could help deliver the required number of affordable homes.” (PPG ID: 67-008) (emphasis added)

3.0 Proposed Housing Requirement

3.1 Policy SS3 (1a) of the draft Local Plan (2040) identifies that the plan will deliver on average 1,149 homes per year (including affordable housing, older persons housing and a range of sizes and types of housing to meet local needs). Across the 21-year plan period, this equates to a total requirement of 24,129 homes. This is fewer homes than the former Reg.18 Plan (Oct 2022) sought to plan for. That version of the Plan sought to deliver an average of 1,252 homes per year over a 25-year plan period. In addition, the draft Local Plan seeks an affordable housing contribution of 30% from schemes of more than 10 homes in size (Policy DS1).

3.2 The proposed requirement is underpinned by the following evidence which we summarise the findings of below:

- Housing Needs Assessment (Sep 2021) and the Housing Needs Assessment Addendum (Feb 2024) report;
- Development Topic Paper (Feb 2024); and
- Sustainability Appraisal Report – Draft Canterbury District Local Plan 2040 (Reg.18) (Feb 2024) report.

Housing Needs Assessment (Sep 2021) and Housing Needs Assessment Addendum (Feb 2024)

3.3 The ‘Housing Needs Assessment Addendum’ report (‘HNAA’) was published in February 2024 by Edge Analytics and DLP Planning. It follows an earlier published ‘Housing Needs Assessment’ (‘HNA’) report published in September 2021 by Edge Analytics.

3.4 The original HNA (Sep 2021) report concluded that at that time the local housing need for Canterbury district was 1,120 homes per year (a figure in excess of the current adopted housing requirement of 800 dpa). This 2021 report also concluded that:

- The overall affordable housing need is 464 homes per annum in the district (figure 6); and
- It noted the high ratio of students living in the City of Canterbury itself (associated with the higher education institutes located in the city). Notwithstanding, it did not fully define the futures need of students in Canterbury city in particular due in part to uncertainties around remote teaching and Brexit (para 8.12).

3.5 The latest HNAA (Feb 2024) sets out an updated assessment of the housing mix required and the housing need of children in care. It does not consider the following: (1) what the

district’s revised local housing need is; (2) what the updated affordable housing need might be now based on more up-to-date data; and (3) what the need for student housing might be.

Development Topic Paper (2024)

3.6 The ‘Development Topic Paper’ (Feb 2024), inter alia, provides an updated assessment of local housing need in the district. The paper includes a calculation of local housing need using the standard method which outputs an ‘uncapped’ figure of 1,149 (as shown in Table 1 below). This figure is the proposed housing requirement used in Policy SS3.

Table 1 Calculation of Local Housing Need

Steps	Results
Step 1 – Baseline household growth (Taken over a 10-year period from 2023 to 2033).	818 (average per year)
Step 2 – Affordability adjustment factor Local affordability ratio: 10.46 (2022 figure)	1.40375
Canterbury LHN = Household growth x affordability adjustment factor	1,149
Step 3 – Cap and Step 4 – Cities and Urban Centres Uplift	n/a

Source: Table 2.1, Development Topic Paper (Feb 2024)

3.7 Considering the above calculation of local housing need:

- The calculation above outputs what is known as the ‘uncapped’ standard method figure. This is a truer reflection of housing need as a cap is applied to ensure the figure outputted is deliverable and said cap does not reduce housing need itself (PPG ID: 2a-007);
- Notwithstanding, the ‘capped’ standard method figure using the Council’s inputs is 1,146 homes per year: only three homes fewer per year than the uncapped figure; and
- The 2022 affordability ratio of 10.46 was the correct figure for that year at the time of the topic papers preparation. Since then, new ratios were published in March 2024 which revised the Council’s 2022 figure from the stated 10.46 to 10.57 (i.e. homes in 2022 were relatively less affordable that originally thought in 2022).

3.8 The topic paper also considers the issue of affordable housing need and the supply of homes expected to be delivered in the plan-period. It notes that the conclusions of the HNA (Sep 2021) report that – at that time – the district had an affordable housing need of 464 homes per annum. After accounting for affordable housing completions in the plan-period and those affordable homes already secured on permissions, there is a residual requirement for an additional 6,321 affordable homes (as per Table 2 below).

Table 2 Affordable Housing requirements 2020-2041

	Affordable / Social rent	Affordable home ownership	Totals
Requirement (2020/21 to 2040/41)	6,468	3,276	9,744
Affordable Completions 2020/21 to 2022/23	243	115	358
Secured Affordable Homes	2,057	1,008	3,065
Remaining requirement	4,168	2,153	6,321

Source: Table 8.12, Development Topic Paper (Feb 2024)

- 3.9 Noting the above, the topic paper concludes that there will be an unmet affordable housing need of 3,264 homes (as per Table 3 below). This is based on the expected number of affordable homes to be delivered from both rolled forward allocations and draft allocations in the emerging plan.

Table 3 Future Supply of Affordable Housing

	Totals
Remaining 2020-2041 requirement	6,321
Carried Forward 2017 Local Plan allocations	491
Draft 2020-2041 Local Plan allocations	2,566
Outstanding requirement	3,264

Source: Table 8.13, Development Topic Paper (Feb 2024)

- 3.10 Finally, in addition the topic paper notes:
- the high proportion of students in the city of Canterbury and that Policy DS5 encourages the development of purpose built student accommodation on campus or within at least a 10-minute walking distance of said campus.
 - Relevant to housing needs is the level of employment floorspace planned for. It notes that Policy SS3 sets out the district employment needs as evidenced in the 'Canterbury Economic Development and Tourism Study Focused Update' note (Aug 2023) (prepared by Lichfields). The development topic paper concludes that all the district's employment needs will be met in the plan-period based on existing supply, new allocations, and carried forward allocations (para 9.20).

Sustainability Appraisal Report (Reg.18) (Feb 2024)

- 3.11 On behalf of the Council, WSP has prepared a Reg.18 Sustainability Appraisal ('SA') (Feb 2024) of the plan. While the SA is wide ranging in its scope, section 5.3 considers the potential housing growth options; being:
- Local Housing Need (uncapped): 1,149 homes per year

- 2 +10%: 1,264 homes per year; and
- 3 +20%: 1,397 homes per year.

3.12 Ultimately, the Council decided to plan for Option 1 (i.e. the latest uncapped standard method figure). This was chosen because the figure – being consistent with the latest output of the standard method – was consistent with the NPPF and PPG. The higher growth options were rejected because:

“The PPG [ID: 2a-002] clearly identifies that any deviation from the standard method must be supported with robust justification and only used in exceptional circumstances. There is currently no robust evidence to justify an alternative methodology, and include a 10% or 20% uplift in the standard method figure as proposed under the alternative options. The level of growth required under the standard methodology will help facilitate affordable housing, infrastructure and employment growth.” (para 5.3.21)

4.0 Reviewing the Housing Need and Requirement in Canterbury District

The plan period

4.1 As per our main representations, we consider that the plan-period should be extended by at least a year to 2041/42. In total, the extended plan-period would be 22-years and doing so would ensure a future plan is consistent with national policy (see Section 2 of the main representations for more detail).

Updated local housing need

4.2 The PPG notes that the inputs used in the standard method vary so the output of the method needs to be reviewed and revised accordingly throughout plan preparation. It is only at the point of a plan’s submission that a figure outputted by the standard method may be relied upon for a period of two-years (ID: 2a- 008).

4.3 Since the calculation of the Council’s local housing need (as noted in the ‘Development Topic Paper’ [Feb 2024]) the inputs to the standard method have changed. This follows the latest 2023 affordability ratio being published alongside using ‘current year’ (i.e. 2024) for the base period. The latest affordability ratio for 2023 shows that median house prices were 10.96 times the median wage in that year: indicating that the affordability of homes has worsened since 2022 (revised to 10.57).

4.4 Using the latest inputs, the capped standard method figure is slightly lower than the Council’s previous calculation at 1,141 homes per year, but the uncapped figure has increased to 1,170 as detailed in Table 4 below. The reasons for the difference are because:

- The ‘capped’ figure has fallen because the cap is set against household projects which are lower when addressing the now current 10-year period; while
- The ‘uncapped’ figure has increased because – despite lowering household projections – affordability has worsened.

Table 4 Latest Local Housing Need Assessment

	Capped Figure	Uncapped Figure
Latest Local Housing Need	1,141	1,170
• (2023 affordability ratio)	homes per year	homes per year
• (10-year period from 2024)		

Source: Lichfields Analysis

4.5 As per the NPPF para 61, the standard method is the advisory ‘starting point’ for setting a housing requirement. The now lower capped standard method is not a reflection the true minimum housing need for the district (as per the PPG ID: 2a-007) and the fact affordability has worsened indicates the Council should at the very least continue to plan for its uncapped local housing need moving forward as the housing need is kept under review up to the point of submission. That uncapped figure is clearly deliverable for Canterbury and remains below what the Council assessed as achievable in the previous iteration of the Plan (and negating the main reason the PPG sets out for the operation of the cap on needs).

4.6 Currently, this would mean the requirement should be increased to 1,170 homes per year; equating to a total requirement of 24,570 homes in the 21-year plan period or 25,740 homes in the extended 22-year plan period.

Table 5 Latest Local Housing Need Assessment

	Canterbury CC	Lichfields	
Proposed Annual Requirement	1,149 homes per year		1,170 homes per year
Total Plan Period Requirement	24,129 (21-year plan period)	24,570 (21-year plan period)	25,740 (22-year plan period)

Source: Lichfields Analysis

Should the Council seek to exceed the standard method?

4.7 The NPPF is clear that the standard method is the starting point to setting a requirement. As per the above analysis, we already consider that the Council should go above the capped standard method figure and meet its uncapped figure. However, there are wider considerations set out in policy and guidance as to whether an authority should set its housing requirement further above this.

4.8 Having reviewed the evidence underpinning the proposed requirement, we conclude that the Council has not demonstrated that it has followed policy and guidance in respect of setting its housing requirement; chiefly whether it should seek to exceed its current local housing need to a much greater degree than is currently proposed (noting the current plan does propose to meet the district’s marginally higher uncapped local housing need).

4.9 Firstly, while there has been some consideration of setting a higher housing requirement in the SA Report (Reg.18) (Feb 2024), this analysis is flawed because:

- **Exceptional circumstances:** The SA Report (Reg.18) (Feb 2024) states that deviation from the standard method and the implementation of a higher housing requirement needs to be justified by demonstrating there are exceptional circumstances to do so (para 5.3.21). This is a misinterpretation and misrepresentation of policy in the NPPF and guidance in the PPG.

Para 60 of the NPPF states that the Government’s objective is to significantly boost the supply of housing and para 61 notes that the (1) standard method should be used to define the starting point for a housing requirement and (2) that alternative approaches to assessing housing need to be justified by the demonstration of exceptional circumstances. The PPG (ID:2a-015) clarifies that where an alternative approach outputs a figure higher than the standard method, it is considered sound. It is only in circumstances where an alternative approach goes below the standard method that exceptional local circumstances are required. Even then, this is in relation to the identification of housing needs; it is not in relation to the identification of an appropriate housing requirement, which may be above those needs without the need to demonstrate any ‘exceptional circumstances’ on the method used.

Therefore, the SA Report (Reg.18) (Feb 2024) in concluding exceptional circumstances do not exist, it erroneously discounts options going above the standard method suggesting that doing so would conflict with national policy. A higher housing need figure, or a housing requirement above the standard method need figure in Canterbury would clearly not conflict with national policy; indeed, it would be consistent with it.

- **Considering wider reasons for going above:** Three housing requirement scenarios are tested with two seeking to deliver 10% and 20% above current assessments of local housing need. However, there is no detailed consideration as to why it might be appropriate – other than simply to deliver more homes – to implement a higher housing requirement (noting the requirements of the NPPF and the PPG – set out above and discussed further below). The SA Report (Reg.18) (Feb 2024) simply notes that *“the level of growth required under the standard methodology will help facilitate affordable housing, infrastructure and employment growth”* (para 5.3.21) without considering these points in any further detail.

4.10 Noting that the Council has not considered any wider reasons for planning for more homes, below sets out a review of the following factors relevant to this local plan as to whether more homes should be planned for:

- 1 Affordable housing need;
- 2 Relationship with the level of employment floorspace proposed; and
- 3 Housing needs of other groups.

1. Affordable housing need

4.11 The Council’s latest – albeit dated – assessment of affordable housing is set out in the HNA (Sep 2021) report. This concludes that there is a need for 464 affordable homes per annum in Canterbury. This broadly represents 40% of the Council’s proposed housing requirement as per Policy SS3 compared to a policy requirement to only deliver 30% (Policy DS5). The

Development Topic Paper (Feb 2024) notes that the plan will not meet these needs and that there will be c. 3,264 worth of unmet affordable needs arising during the plan-period (taking account of planned for growth and secured affordable homes yet to be built). This represents over 3,200 households in need of affordable home that will be unable to access one into the 2040's.

4.12 As set out in the PPG (ID: 2a-024) local planning authorities should consider whether increasing the total number of homes planned for could help deliver greater affordable housing delivery. However, there is no evidence of any consideration given to this factor in setting the proposed housing requirement. This is despite the Council acknowledging needs will not be met.

4.13 Consequently, the Council should at least revisit its housing requirement and consider whether a higher housing requirement could be achieved to either meet or at the very least reduce the levels of unmet affordable housing need being planned for at present. In addition, the assessment of the need for affordable homes will need to be updated given the current figure is now nearly three years old. Canterbury has one of the highest housing waiting lists in Kent (2,809 households as at 2023), whilst this has been growing in recent years (up from c.2,000 in 2019). The affordable housing needs of the District are acute.

2. Relationship between housing and economic growth

4.14 Housing is recognised as being a key contributor to economic prosperity and housing growth can assist or hinder economic growth within in area in numerous ways, including by housing a sufficient local workforce to meet local job growth needs. Policy SS3 sets out requirements for employment floorspace to be delivered in the plan-period: planning to delivery 31ha of employment land. As per the Development Topic Paper (Feb 2024) these planned for requirements will be met (para 9.20).

4.15 As aforementioned, the floorspace requirements in Policy SS4 are evidenced by 'Canterbury Economic Development and Tourism Study Focused Update' note (Aug 2023) prepared by Lichfields. This update note identifies two different methods for assessing the amount of employment floorspace that should be planned for in the revised plan-period. They are:

- **Scenario 1: Labour demand** – this projects the growth in employment by using Experian forecasts and converts the commensurate labour demand into floorspace figures; and
- **Scenario 2: Labour supply** – this projection estimates the future growth of local labour supply arising from the Council meeting is local housing need calculated using the standard method. The growth in the workforce arising from housing development is then converted into floorspace figures.

4.16 Table 6 below shows the difference in the floorspace and overall land requirements between the two scenarios. It demonstrates that planning for employment growth based on meeting the district's current standard method alone gives rise to an employment floorspace requirement less than half that of meeting the demand for employment space.

Table 6 Gross Employment Space and Land Requirements

	Scenario 1: Labour Demand		Scenario 2: Labour Supply	
	Floorspace (GEA sqm)	Land	Floorspace (GEA sqm)	Land
Total	141,100	31.0 ha	60,320	13.2 ha

Source: 'Canterbury Economic Development and Tourism Study Focused Update' note (Aug 2023) (prepared by Lichfields)

- 4.17 The requirement for employment floorspace proposed in Policy SS3 is as per 'Scenario 1: Labour Demand'. Therefore, the level of employment floor space currently being planned for, significantly outweighs the growth in the workforce arising from the level of housing growth being planned. The impact of this approach will be that the new workforce required to serve the employment floorspace being planned for will not have their housing needs met within the district. Instead, they will need to commute into the district. These may be areas that are less well served by public transport connections into the district. Moreover, these locations will likely be further away from places of work; reducing opportunities for active travel. This mismatch between planned job growth and planned housing growth in Canterbury, with consequent increase in-commuting, may serve to significantly undermine the vision for the District contained within the Plan; both in respect of not supporting a "sustainable resilient economy" and also in respect of a transport strategy aligned with "improving air quality" and "responding to the challenges of climate change".
- 4.18 In the context of setting a housing requirement, the NPPF (para 86c) states that plans should "seek to address potential barriers to investment, such as housing". In addition, the PPG (ID: 2a-010) states that consideration should be given to increasing housing delivery to facilitate economic growth. Noting that there will not be sufficient housing to provide housing to meet local employment demand, the Council needs to consider whether higher levels of housing growth would not only support the local economy but also support the more sustainable travel patterns fundamental to achieving the vision and objectives of the Plan. A significant planned increase in in-commuting – as per the current draft Plan – does not achieve this.

3. Housing needs of other groups

- 4.19 Finally, the Council needs to consider the needs of other types of housing: in particular students in the City of Canterbury. The PPG (ID:67-004) states that authorities will need to plan for sufficient student accommodation. However, the current HNA (Sep 2021) and HNAA (Feb 2024) do not quantify the needs for purpose-built student accommodation. Instead, it is left as an issue of uncertainty given the impacts of Brexit and covid-19. The Council should update its assessment of housing need for students (including with reference to more recent statistics on international in-migration being driven by student populations) and correspondingly consider whether an uplift in the housing requirement is necessary (as per NPPF para 63).

5.0 Conclusions

- 5.1 The Council proposes a housing requirement of 1,149 homes per year in Policy SS3. This figure is based on a former calculation of local housing need and is the ‘uncapped’ output using the standard method. Reviewing this figure, the inputs to the standard method have now changed and the latest ‘uncapped’ figure is 1,170 homes per year (c.f. 1,141 per year ‘capped’). The Council should revise its requirement to this figure as a minimum; in Canterbury the cap is clearly not necessary for its stated purposes of ensuring a number is “as deliverable as possible”, and as per the PPG (ID 2a-007), the full housing needs themselves can be addressed. Over the proposed 21-year plan period and our extended 22-year plan period, the total housing requirement would increase to 24,570 and 25,740 respectively.
- 5.2 Notwithstanding, the NPPF states that the standard method ‘starting point’ with national policy and guidance setting out wider factors that should be considered as to whether a housing requirement should be greater than local housing need. Considering the evidence underpinning the proposed requirement, we do not consider that the Council has sufficiently considered these factors in arriving at its requirement. In summary, the following needs to be considered to ensure a future requirement can be found sound:
- Firstly, the Council will need to consider the specific reasons for why it might be appropriate to plan for a higher housing requirement to (1) seek to meet the affordable housing need (for which the current plan will not meet); and (2) to support the local economy noting the level of employment floorspace being planned for far outstrips the commensurate housing to support it. As a result of this (3) the Council will need to consider the effects of greater in-commuting to the district resulting from the level of housing planned and employment floorspace planned for and the impact that would have on achieving the revised sustainable transport aims of the Council;
 - Following this, the Council will need to update its testing of reasonable alternatives in respect of what housing requirement may be appropriate in the next iteration of the SA. This is applying the correct interpretation of relevant policy and guidance in respect of setting a housing requirement above the standard method; and
 - The Council will need to continue to update its local housing need as inputs change throughout the plan’s preparation.
- 5.3 At the current point, the NPPF, the Council’s own objectives and evidence (e.g. in respect of economic growth and sustainable travel patterns) and the housing needs that existing in the District, all point to the appropriate housing requirement being above that currently identified within the Draft Plan.