

# MEDWAY LOCAL PLAN

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Regulation 18 Consultation



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Representations submitted on behalf of Nightingale Homes in  
connection with site RN2

September 2023

OUR REF: M16/0903.04-RPT

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## Contents

Section 1	Executive Summary	1
Section 2	Introduction	3
Section 3	Previous consultation engagement	8
Section 4	Proposals for site RN2	9
Section 5	Site Suitability	10
Section 6	Site Sustainability	15
Section 7	Response to Consultation Questions	28
Section 8	Draft Policies	33
Section 9	Conclusion	41

## Appendices

Appendix 1	2023 Regulation 18 representations
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# Executive Summary

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## Section 1

- 1.1 These representations have been prepared by **Tetlow King Planning** on behalf of **Nightingale Homes** (the promoter) in response to the Councils Local Plan Regulation 18 Consultation, and specifically in connection with the promotion of site RN2.
- 1.2 **Nightingale Homes** are promoting the site identified as RN2 in the current Regulation 18 consultation of the emerging Medway Local Plan. This site is within the countryside and is being promoted as a residential led development.
- 1.3 We are generally supportive of the emerging Medway Local Plan in that it seeks to meet its full objectively assessed housing needs and has a comprehensive suite of technical documents that support the emerging plan, released at the time of consultation as opposed to previous issues with delays over availability of the supporting evidence. As with all plans in the current climate of uncertainty over housing growth there are questions relating to the efficacy of the information provided concerning future housing land supply especially when factoring in the BNG requirements for sites and implications on capacity.
- 1.4 We also specifically acknowledge the intention to deliver a sound local plan that finally addresses the lengthy wait for a plan to replace the 2003 version that is now severely dated.
- 1.5 We support the recognition of the council under the dispersed growth approach that site RN2 has a function to play in meeting future development needs, albeit noting that the council's preferred approach of the blended growth strategy does not include the allocation of site RN2. This is a matter we address in regard the site suitability and sustainability.
- 1.6 We recognise the difficult choices that officers and members of the council have had to take to determine which sites ought to be released to meet future development needs but recommend that in order for the plan to be found sound it needs to acknowledge the implications of sites being constrained by BNG requirements amongst others, as well as historic delays in delivering strategic regeneration sites within Medway to meet development needs.



- 1.7 Greater flexibility in the plan is therefore required over housing delivery and site selection to ensure those needs are met in the short, medium and long term through the plan period.

# Introduction

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## Section 2

- 2.1 The emerging plan seeks to meet the future development needs of Medway between 2025 and 2041, and on adoption replace the now heavily dated 2003 Local Plan that was only intended to meet development needs up to 2006 as noted in paragraph 1.6.1 of the plan where it stated:

*“Consequently, the council has reluctantly decided that this local plan can only cover the period 1996-2006.”*

- 2.2 It is therefore right to suggest that a new adopted Local Plan is essential to meet the needs of the area to plan properly.

- 2.3 The emerging plan sets out the annual housing requirement, as it was at the time of consultation, of 1,658 new homes per year which represents a slight reduction from the previous Regulation 18 Consultation in late 2023 when the requirement was 1,667 new homes per year. Over the intended plan period that amounts to a need to identify 26,528 homes according to the supporting SA (paragraph 3.1.2). The SA then notes that:

*“When considering a 5% buffer to allow for market flexibility, this results in an approximate need of 27,854 homes. Considering the existing supply commitments and anticipated windfall supply, this leaves a required yield of 22,491 homes to be delivered through the emerging Medway Local Plan.”*

- 2.4 This figure is relevant when then having regard to the spatial delivery options which, using the overall figures quoted, have the potential capacity to deliver between 36,123 homes and 42,018 homes. What is relevant to note is that the SA notes in the executive summary that the worst performing spatial delivery option is the Hoo Peninsula due to its:

*“potential adverse effects associated with the introduction of a large quantum of growth in an area with small-scale settlements and in proximity to sensitive ecological receptors.”*

- 2.5 This SDO was responsible for the potential delivery of between 10,893 and 12,970 dwellings from the overall SDO delivery.

- 2.6 It is therefore pertinent to note that despite those reservations over the impacts of significant development on the Peninsula the emerging plan still proposes the allocation of the following sites for housing delivery:

Site Ref:	Ward	Net area (ha)	Housing capacity
AS13	All Saints	32.73	368
AS21	All Saints	41.62	390
AS22	All Saints	32.68	300
HHH12	Hoo St Werburgh & High Halstow	63.12	1,100
HHH22	Hoo St Werburgh & High Halstow	131.27	1,850
HHH26	Hoo St Werburgh & High Halstow	72.77	1,500
HHH3	Hoo St Werburgh & High Halstow	23.83	500
HHH31	Hoo St Werburgh & High Halstow	79.58	2,000
HHH6	Hoo St Werburgh & High Halstow	35.32	550

- 2.7 Cumulatively these sites still deliver 8,558 new homes, therefore a sizeable proportion of the overall housing growth over the plan period despite the recognition in the SA that this option performs worse against the overall objectives. This obviously does not take into account the wider sustainability concerns with development of significant scale on the Peninsula following the loss of the HIF contributions towards the necessary infrastructure enhancements in terms of road and rail connectivity.

- 2.8 It is also relevant to note that many of the reasonable alternative sites considered through the blended growth approach are presently active employment locations such that they are likely to conflict with the need to provide employment growth over the plan period for 274,663 m<sup>2</sup> as noted in the SA (that is considered the new growth and not taking into account replacement for displaced employment). Those such sites include the following:

Site Ref:	Ward	Net area (ha)	Housing capacity
SR30	Strood Rural	0.56	100
SR31	Strood Rural	1.39	311
SR36	Strood Rural	2.25	200
SR37	Strood Rural	1.89	428
SR38	Strood Rural	1.32	100
SR40	Strood Rural	0.87	200
SMI6	St Marys Island	57.71	3,000

- 2.9 Cumulatively these sites amount to a total of 4,339 new homes, offset by the loss of a significant amount of employment space within the light industrial use that will be difficult to replace elsewhere across Medway.

- 2.10 It is of course relevant to note that the capacity (or otherwise known as yields) for the sites considered are not necessarily accurate reflections as they appear to have been based from the submissions made through the Call for Sites process where factors such as the mandatory 10% BNG uplift have not been considered in detail. There is

therefore a realistic prospect that in many cases the stated capacity will not be realised to the full potential.

2.11 Of course, it is also directly pertinent to note that Question 2 of this consultation ask whether or not the council should look to go beyond the 10% mandatory figure. This is again a matter that is likely to further constrain delivery on allocated sites and reduce overall capacity.

2.12 The level of buffer that is being considered is also relevant to take account of given the inevitable delays with the delivery of strategic housing sites that are accounted for as part of the overall housing strategy for the plan. Medway has history with experiencing delays in the delivery of strategic housing schemes such that it is considered that the plan should be considering a buffer of between 10% and 20% to account for delays and indeed complete under delivery of certain sites. The failure to consider this and only seek a limited buffer (5% or 1,326 homes) means that the plan is unlikely to be sufficiently flexible to maintain an appropriate housing supply over the plan period.

2.13 The Council has prepared its Medway Housing Delivery Test Action Plan 2024 (June 2024) in response to the latest Housing Delivery Test figures. Importantly this plan notes at paragraph 1.8 that:

*“Medway achieved a result of 79% in December 2023, up from 67% in January 2022, 55% in the previous year and in the mid 40s in the first two years. This means that an action plan should be prepared and a buffer of 20% should be applied to the local housing need.”*

2.14 This supports the view that the plan needs to consider a more appropriate buffer beyond the present 5% it is proposing to avoid further delivery failures.

2.15 Further interrogation of the plan identifies the table below that follows paragraph 2.23

Measurement year	Year 1	Year 2	Year 3	No. of homes required	Year1	Year 2	Year 3	Number of homes delivered	Result
2020	1341	1672	1550	4563	669	647	1181	2497	55%
2021	1672	1550	1111	4333	647	1181	1067	2895	67%
2022	1550	1110	1586	4245	1181	1067	1124	3372	79%
2023	1110	1586	1675	4371	1067	1124	961	3152	72%
2024	1586	1675	1667	4928	1124	961	1546	3631	74%
2025	1675	1667	1658	5000	961	1546	1453	3960	79%
2026	1667	1658	1658	4983	1546	1453	1175	4174	84%

- 2.16 This table identifies the scale of the problem in that the Council will continue to fail to meet its housing requirements through to 2026 and therefore needs to ensure greater flexibility in its plan to ensure delivery.
- 2.17 Further supporting the need to consider a more appropriate buffer is what the action plan notes at paragraph 3.11 where it states:
- “Ther[e] are consents for nearly 8,000 homes in Medway where development has not yet started or is under construction. The Council targeted work to assess if there are aspects of the planning system that it can review to encourage development to come forward...There has been progress on some sites, applications to alter the layout and number of units on other sites but a few other sites where progression seems to have stalled.”*
- 2.18 The plan also confirms the delays in delivery of strategic sites (those being 1,000+ units) stating that St Mary’s Island took 5 years post identification for the first application to be made. Permission was granted in 1996 and the scheme has only recently been completed (<https://www.kentonline.co.uk/medway/news/island-life-is-idyllic-its-like-being-on-holiday-all-yea-311575/>) demonstrating the issues with delays for such sites. Rochester Riverside was also identified as another strategic site identified in 1998 but not majorly implemented until 2018 and not due to be completed until 2033 (to date 502 homes completed out of a total of 1,473).
- 2.19 The overall supply is particularly relevant when noting the expectation of delivery of 4,037 of the required homes from sites with existing consents and windfall developments, although there is no indication in the SA where these consents are and what windfall figure is used annually. Reliance on such a quantum of windfall housing is questionable, and in truth any recent historic provision rates are likely to be over inflated given the lack of a strategic plan for housing development for some time such that many sites will be considered windfalls.
- 2.20 Furthermore, none of the supporting evidence base that we have reviewed appears to indicate with annualised figures the delivery from any of the proposed allocations to demonstrate the proposed housing delivery.
- 2.21 In terms of the impacts on the overall opportunities for delivering housing we are mindful that the SME network have prepared detailed representations on the emerging plan and they have assessed the overall effects on housing supply when taking into consideration the various constraints matters. That submission suggests that even with adopting a 5% buffer figure there could be a shortfall against the plan requirements for

3,099 new homes over the plan period (this is shown in their table 2.2). This is a significant shortfall that must be addressed to ensure that there is no continued failure of the council to meet its future housing needs.

- 2.22 This is all predicated as well on this council not taking into account the needs of its neighbours either regarding housing supply, having noted that Gravesham Borough Council have sought assistance to date in respect of 2,000 additional dwellings and no stated figure as yet for Tonbridge and Malling Borough Council.

# Previous Consultation Engagement

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## Section 3

3.1 The proposed site RN2 has been identified within previous consultation documents for the emerging local plan.

3.2 In the earlier Development Options consultation draft of the Local Plan it was identified as a mixed use allocation as part of the urban regeneration strategy, with an iconic structure previously identified as establishing the

*“new character of this area and [marking] the extent of the regeneration zone”*  
(paragraph 3.24).

3.3 The Council had expressed support for the intention to develop a high-density scheme with significant tower structures at the site. It is also relevant to note that the Interim Sustainability Appraisal on the Development Options draft highlighted no significant effects arising from the development of the site, bar the need to

*“address potential impacts from light pollution from proposed new GFC stadium”*  
(Appendix 2 - Sustainability Assessment Development Options and Policy Approaches).

3.4 The statement that the delivery of

*“residential, leisure and retail services ... would increase investment in Medway, revitalising the central area, boosting the vitality of the town centres, and supporting new employment activities around town centres”* (pages 24-25)

at a time when up to 850 homes were proposed, clearly shows that the development of the site can be supported.

3.5 More recently of course the site was promoted during the second round of Regulation 18 consultation in 2023. A copy of those representations is included as **Appendix 1**.

3.6 It is also relevant to note that the site has consistently been promoted at every stage with Call for Sites, the first submission being 2010 with the most recent submission being in 2023.

# Proposals for site RN2

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## Section 4

- 4.1 The proposed site totals approximately 16.1ha of land that is presently in use primarily for the keeping of horses, along with a small commercial use in the former redoubt on site.
- 4.2 The emerging proposals for the site are to deliver a residential development of the site for approximately 450 dwellings, including 25% affordable housing provision and a retirement scheme providing approximately 80 dwellings.
- 4.3 A new junction is proposed from the Yokosuka dual carriageway to serve the proposed development, which has all been modelled to design the junction and discussed with Medway Highways regarding junction capacity and modelling.
- 4.4 On site a significant amount of land is proposed as blue and green infrastructure (circa 6ha) to deliver the necessary on-site open space provision along with retention and restoration of orchard habitats and SuDs facilities.



# Site Suitability

## Section 5

5.1 We believe that the [Mill Hill] site is well suited to the form of residential led development that is proposed in terms of deliverability, utilities, landscape impact and environmental conditions.

5.2 The emerging local plan sets out a series of strategic objectives which are all considered below in the context of the emerging proposals for Mill Hill (site RN2).

5.3 The draft plan text notes that

*“The Local Plan is closely aligned to the One Medway Council Plan, 2024 that sets an ambitious and caring vision for our communities, economy and environment.”*

5.4 The key objectives set out in the emerging local plan are below with text identifying how the proposed site would contribute towards them.

Objective	Comments
Prepared for a sustainable and green future	Development of site RN2 would still contribute to meeting this objective in the same manner as all new residential developments will.
Supporting people to lead healthy lives and strengthening our communities	The delivery of site RN2 with the mix of housing type and tenure, and in well designed and energy efficient properties, with ample on-site open space for activities, will contribute to healthier lives for residents.
Securing jobs and developing skills for a competitive economy	The construction of the site will be phased over several years to provide ongoing job creation.
Boost pride in Medway through quality and resilient development	The design of the scheme will be high-quality noting the pedigree of the land promoter and architectural team with considerable experience of delivering exemplar schemes in Medway to date.

5.5 In rejecting the site as an option in the preferred strategy (noting of course that it is identified as suitable in the dispersed growth option as per Figure 1 of the Regulation 18 Consultation) the reasoning set out in Table 8.15 of the Sustainability Appraisal is due to

*“Loss of BMV agricultural land. The development could lead to coalescence between settlements.”*

- 5.6 It is important firstly to note that these are the only two identified reasons for rejection of the site, not using grounds such as the following which have been referenced in the context of rejecting other sites:
- Beyond reasonable walking distance to current public transport services.
  - Potential adverse impact on Local Nature Reserve.
  - Potential adverse impact on listed building/ conservation area.
  - Potential adverse impact on greenspace.
  - Residential amenity.
- 5.7 The matter of discounting land solely, or at least in part, due to BMV is not entirely consistent with the preferred Blended Strategy approach as this similarly relies on allocating sites that are identified as Grade 1 agricultural when comparing the Agricultural Land Classification plan (figure 3.4 in the Landscape Character Assessment) with the Blended Strategy extract in the Local Plan consultation document (Figure 1: Spatial Growth Option) and the more detailed proposals plan extracts.
- 5.8 For example, site RSE10 is also designated as being Grade 1 on the Agricultural Land Classification plan and is scored as ‘--’ in respect of impact on BMV land. This site, as identified in table D.1.1 of the SA states it has an area of 41.58ha and has a housing capacity of 850 dwellings. This site includes areas of orchard planting that are typically high in ecological value, complicating development with regard to the need to deliver 10% BNG from development, whilst also being constrained at present with vehicular links. Moreover, this strategic allocation also appears to include a site where planning permission has been refused and dismissed on appeal (Orchard Kennels) at least in part because of the impacts on the valued landscape.
- 5.9 Similarly, sites RN30 and RN31 are also identified as being suitable sites despite also being Grade 1 land, albeit adjacent to a recent residential development scheme allowed on appeal. Again, these sites amount to a combined 10.75ha of Grade 1 land to deliver a potential capacity of 170 dwellings, albeit with what is presently poor highway connectivity via a narrow lane linking to the congested A2. It is also worth considering that both of these sites score equal or better in regard to access to a bus stop, railway station and for pedestrian/cycle access than my clients site. This is despite the fact that both sites are presently only accessible via a country lane which has no bus service such that to access you would need to walk along a country lane with no designated footway such that whilst geographically closer the connectivity itself

is worse, whilst the nearest railway station is between 1 and 1.5 mile walk from the site.

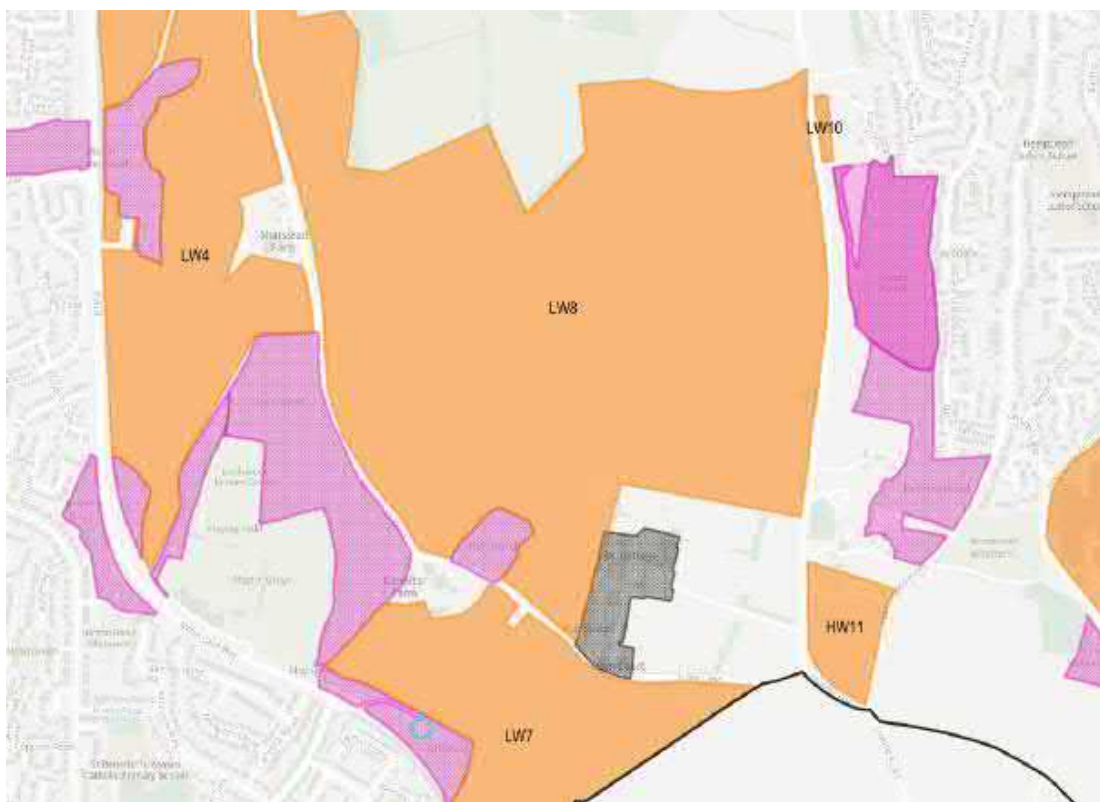
- 5.10 Taking the point of coalescence, this is typically referenced in planning either in respect of Green Belt land (that being in the context of paragraph 143 b) or relating to development within a strategic gap.
- 5.11 The accepted meaning is to ensure that settlements do not come together as one and lose their separate identities as a result of coalescence. The issue with this site however is what settlements are being considered as potentially being united and losing their separate identity were this site to be developed.
- 5.12 The proposed strategy (whether that dispersed or blended) fails to consider the implications of development in the green corridor between the built up areas of Lordswood and Walderslade to the west and Hempstead to the east. The proposals to support the development of parcels LW4, LW6, LW7 and LW8 will arguably result in the coalescence of these three built up areas through the complete loss of the important gap between them. This is further exacerbated by the proposals supported by the Maidstone Local Plan for the development of a new garden village of approximately 2,000 homes immediately south of the Medway boundary effectively extending the built-up area to encompass Bredhurst within a larger urban zone.
- 5.13 The supporting SA recognises that LW6 has been established through planning appeal but only notes for LW8 that:
- “The development would help to deliver the vision and the strategic objectives of the new Local Plan.”*
- 5.14 There is no recognition that the allocation of that parcel would result in significant coalescence between the existing built-up areas, or indeed the loss of BMV seeing that this parcel is actively farmed and is deemed to be Grade 3 having regard to the Agricultural Land Classification plan included as figure 3.4 of the Landscape Character Assessment. The BMV point here is clearer because although of a lower grade than identified for site RN2, this parcel of land is controlled and farmed along with land that forms parcels LW4, LW6 and LW7 as we understand it, as well as the land with Maidstone forming the proposed new Garden Village, thus making it more commercially viable.
- 5.15 Similarly, site HW11 is identified as a suitable alternative non-strategic site despite it being remote from the built-up area of Hempstead and lacking footpath connectivity to the services and facilities provided. Equally, when combined with the proposed

development of parcels LW7 and LW8 will result in the perceived coalescence once more. This has not been considered given that the justification for the site notes:

*“The development would help to deliver the vision and the strategic objectives of the new Local Plan.”*

- 5.16 The Sustainability Appraisal scores the site as ‘0’ compared to a ‘-’ for both sites RN2 and LW8 despite the clear impact that its development would have alongside those of LW7 and LW8. It is important that the sites are assessed cumulatively as if all were developed the impact would be seen as a whole.

Figure 5.1 (Medway Local Plan 2041 South East plan extract



- 5.17 Again that site score ‘0’ in regard to impacts from the PROW, compared to a ‘-’ for both sites RN2 and LW8, despite there being a nearby PROW from which the site will be visible and development would be harmful.

Figure 5.2 (source Kent Public Rights of Way with edit for Medway routes)



- 5.18 Having therefore assessed concerns with the approach to other sites through the SA it is then of course necessary to consider the suitability more generally for my clients' site of RN2.
- 5.19 In respect of highways, the proposals seek to include a new signalised junction from the main dual carriageway of Yokosuka Way to service the site. This has the benefit of ensuring that there is a single point of access/egress from the site onto a dual carriageway that has been modelled, in conjunction with the Council's appointed consultants and modelling, to demonstrate capacity without resulting in unacceptable impacts on highway safety or severe residual cumulative impacts on the road network (paragraph 115 of the NPPF).
- 5.20 Discussions have also been held over several years with bus companies regarding the inclusion of the site on an existing bus route such that with the provision of a dedicated bus turning area and layby this would be acceptable.
- 5.21 In landscape terms, it is acknowledged that there would be short term significant impacts from the development of the site in that there would be a loss of open fields and replacement with built form. However, the scale of built form proposed is such that this would not detrimentally affect the longer views, and the short views would be mitigated for over the medium term with a clearly well-defined dense landscape planting buffer around the site.

# Site Sustainability

## Section 6

- 6.1 As part of the technical evidence to support the future planning submission and local plan promotion, the promoter has commissioned a series of technical assessments to ensure that the effects of the proposals can be suitably addressed or mitigated to ensure that there are positive outcomes.
- 6.2 As such, while we endorse the approach of the Sustainability Appraisal (SA) we do not entirely agree with the outcomes and therefore set out below the relevant parts of the SA relating to site RN2 with the council's conclusions and our additional commentary that seek to justify why we consider the site to be sustainable.
- 6.3 For the purposes of the SA the scoring of significant effects was listed as at Table 2.4 of the appendices. In order to address this in a different manner we have opted to replace this with numerical scaling as follows:

Significance	SA Scoring	Numerical Scoring
Major Negative	- -	-2
Minor Negative	-	-1
Negligible	0	0
Uncertain	+/-	NA
Minor Positive	+	+1
Major Positive	++	+2

- 6.4 In the context of site RN2 where we have disagreed with the Council's scoring and therefore amended it this is shown in red.

SA Objective	RN2	Justification in SA	Comments by Promoter	LW8	HW11
SA Objective 1 (Climate Change Mitigation)	NA	Scores the same as all sites. The carbon emissions likely to be generated as a result of development is currently uncertain	We agree with this scoring	NA	NA
SA Objective 2 (Climate Change Adaptation)					
Fluvial Flood Zones	+1	Development at these locations is expected to have a minor positive impact on flooding, as the proposed development at these sites is likely to locate site end users	We agree with this scoring	+1	+1



		away from areas at risk of fluvial flooding.			
Surface Water Flood Risk	0	The proposed development at these 118 sites could potentially have a minor negative impact on surface water flooding in the area.	Our emerging proposals have been designed to fully mitigate for surface water drainage impacts on site to ensure no negative impacts off site.	0	-1
Flood Defences	0	The remaining 305 sites do not coincide or lie within 20m of flood defence schemes and are likely to have a negligible impact on flood defences.	We agree with this scoring	0	0
<b>SUB TOTAL</b>	<b>+1</b>			<b>+1</b>	<b>0</b>
<b>SA Objective 3 (Biodiversity)</b>					
European sites	-1	The remaining 308 sites are located within one or more of the identified ZOIs, potentially resulting in a minor negative impact on a European site due factors such as air pollution and recreational pressures.		-1	-1
SSSI	-1	The majority of the remaining sites (305) fall within an IRZ which may require consultation with Natural England, reflected in the assessments at this stage as a potential minor negative impact. This includes IRZs which indicate strategic solutions in place to address potential recreational impacts arising from new development.		-1	-1
National Nature Reserve	0	The 319 remaining sites do not lie in close proximity to High Halstow NNR, and are therefore likely to result in a negligible impact on the NNR.	We agree with this scoring	0	0
Ancient Woodland	0	The remaining 292 sites are located away	We agree with this scoring	-1	-1

		from areas of ancient woodland, and are therefore likely to potentially result in a negligible impact on this biodiversity asset.			
Local Nature Reserve	0	No sites coincide with an LNR,	We agree with this scoring	-1	0
Local Wildlife Site	0	None of the remaining sites coincide or lie adjacent to an LWS and have therefore scored negligible against the biodiversity objective; however, it is acknowledged that adverse effects such as from recreational impacts can arise at greater distances.	We agree with this scoring	-1	0
Marine Conservation Zones	0		We agree with this scoring	0	0
Priority Habitats	-1	A total of 34 sites coincide wholly or partially with priority habitats, including a large proportion which coincide with deciduous woodland. The proposed development at these 34 sites is likely to have a minor negative impact on priority habitats in Medway due to the potential loss or degradation of these habitats.		0	0
Regionally Important Geological and Geomorphological Site	0	The proposed development at all sites within Medway is likely to have a negligible impact on geological sites as they do not coincide with any RIGGS.	We agree with this scoring	0	0
Open Mosaic habitat	0	The remaining 317 sites do not coincide with OMHs and are therefore likely to result in a negligible impact on OMHs in Medway.	We agree with this scoring	0	0
<b>SUB TOTAL</b>	<b>-3</b>			<b>-5</b>	<b>-3</b>



SA Objective 4 (Landscape)				
AONB	0		-1	-1
Country Park	-1	23 sites are located in close proximity to a country park, with potential to result in a minor negative impact on the setting and/or views experienced from the country park.	-1	-1
Landscape Character Assessment	-1	111 sites lie within the LCA area. The proposed development at 73 of these sites are identified to have potential to alter or discord with the descriptions of the relevant character area as published in the LCA, and have therefore been identified to have a minor negative impact on the landscape character.	-1	0
Landscape Sensitivity	NA	299 sites lie outside of the Landscape Sensitivity Assessment study area. The potential effect of each of these sites on sensitive landscapes has therefore been scored as uncertain.	0	NA
Landscape Capacity	NA	299 sites lie outside of the Landscape Capacity Assessment study area. The potential effect of each of these sites on landscape capacity has therefore been scored as uncertain.	0	NA
Views from the PRow network	-1	The proposed development at 108 reasonable alternative sites could potentially alter the views of open space currently experienced by users of the PRow network, and result in a minor	-1	0

		negative impact on the landscape.			
Views experienced by local residents	-1	The development proposed at a large proportion of sites in Medway is considered to have the potential to alter the views currently experienced by local residents, primarily due to their location with respect to existing residential zones. A minor negative impact on the local landscape could therefore be expected at these 129 sites.		-1	-1
Coalescence/urbanisation of the countryside	0	The proposed development at 23 sites were determined to reduce the separation between settlements and therefore increase the risk of coalescence and loss of identity of these settlements.	We do not agree with this scoring in the sense of the suggestion that development of the site will result in coalescence as the present infrastructure (railway line and dual carriageway) ensure that the site is read separately to the current built up areas. Regardless, there is a large swathe of woodland to the east and open fields to the north that are not being identified so as to prevent further spread of development.	-1	0
<b>SUB TOTAL</b>	<b>-4</b>			<b>-5</b>	<b>-3</b>
<b>SA Objective 5 (Pollution and Waste)</b>					
Air Quality Management Area	0	The proposed development at the remaining 220 sites which are over 200m from an AQMA are likely to have a negligible impact on AQMAs in Medway.	We agree with this scoring	-1	0
Main Road	0	The proposed development at these 208 sites could potentially expose site end users to higher levels of transport associated air and noise pollution. Traffic using these main roads	There would appear to be a certain degree of double counting of effects here when also considering the Air Pollution effects below. Such effects would be addressed for any scheme	0	0

		would be expected to have a minor negative impact on air quality and noise at these sites.			
Railway Line	-1	The proposed development at the remaining 216 sites which are over 200m from a railway line is expected to have a negligible impact on air and noise pollution from transportation associated with railway lines.		0	0
Watercourse	NA	Sites which are located over 10m from watercourses are less likely to have a significant impact on the quality of watercourses however each site would need to be evaluated according to land use type, size of development and exact location. At this stage, the potential effects of these 303 sites on water quality are uncertain and would depend upon implementation.		NA	NA
Groundwater Source Protection Zone	0	The remaining sites do not coincide with the catchment of any SPZ, and therefore, the proposed development at these sites may have a negligible impact on groundwater quality.	We agree with this scoring	-1	-1
Air Pollution	-2	The proposed development at these larger scale sites could potentially result in a significant increase in local air pollution, potentially resulting in a major negative impact.		-2	-1

Waste	NA	The appraisal of reasonable alternatives sites is limited in its assessment of waste, due to an absence of site-specific details.		NA	NA
<b>SUB TOTAL</b>	<b>-3</b>			<b>-4</b>	<b>-2</b>
<b>SA Objective 6 (Natural resources)</b>					
Previously undeveloped land/land with environmental value	-1	The proposed development at these 184 sites is identified to have a minor negative impact on natural resources due to the potential loss of ecologically or environmentally valuable soil resources.		-1	-1
Agricultural Land Classification	0	101 sites are located on ALC Grades 1, 2 and 3 land and comprise less than 20ha. As these sites comprise previously undeveloped land, or contain areas of potential environmental value, the proposed development at these locations could potentially result in a minor negative impact on BMV land.	Although the site is identified as Grade 1 on the ALC plan it has not been used for agricultural purposes for well in excess of two decades and has been used for horse grazing and paddocks. There is no realistic prospect of the land ever reverting to agricultural use such that we consider the site should be a neutral effect as opposed to the indicated minor negative.	-2	-1
Mineral Safeguarding Areas	0	The remaining 316 sites do not coincide with MSAs and are therefore expected to result in a negligible impact on mineral resources.	We agree with this scoring	0	0
<b>SUB TOTAL</b>	<b>-1</b>			<b>-3</b>	<b>-2</b>
<b>SA Objective 7 (Housing)</b>	<b>+2</b>	61 residential sites have an identified housing capacity of 100 or more dwellings and would expect to make a significant contribution towards meeting housing needs, as such a major positive impact on		<b>+2</b>	<b>+1</b>

		housing would be expected.			
<b>SUB TOTAL</b>	<b>+2</b>			<b>+2</b>	<b>+1</b>
<b>SA Objective 8 (Health and Wellbeing)</b>					
Access to NHS hospital with A&E department	+1	222 reasonable alternative sites are located within 5km of the Medway Maritime Hospital, and as such the proposed development at these sites would be likely to have a minor positive impact on access to emergency healthcare due being within a sustainable distance to these services.		+1	+1
Access to GP Surgery	-1	123 sites within Medway are located over 800m from a GP surgery. The proposed development at these 143 sites will be likely to result in a minor negative impact on access to GP surgeries.		-1	-1
Access to leisure facilities	-1	192 sites are located outside of the 1.5km sustainable target distance to a leisure centre and therefore, the proposed development at these sites could potentially have a minor negative impact on access to leisure facilities.		-1	-1
Access to public greenspace	+1	The majority of sites (302) are located within 600m of one or more of these greenspaces, and therefore the proposed development at these sites would be likely to result in a minor positive impact on access to greenspace.		+1	+1
Net loss of public greenspace	0		We agree with this scoring	0	0

Access to Public Rights of Way/ cycle paths	+1	The majority of sites (321) in Medway are located within 600m of the PRow or cycle network. The proposed development at these sites would be likely to provide site end users with good pedestrian and/or cycle access and encourage physical activity, and therefore, have a minor positive impact on the health and wellbeing of local residents.		+1	+1
<b>SUB TOTAL</b>	<b>+1</b>			<b>+1</b>	<b>+1</b>
SA Objective 9 (Cultural Heritage)					
Grade I	0	The remaining 320 sites are unlikely to significantly impact any Grade I Listed Building, primarily due to sites being separated from listed buildings by existing built form.	We agree with this scoring	0	0
Grade II*	0	The remaining 315 sites are unlikely to significantly impact any Grade II* Listed Building, primarily due to sites being separated from listed buildings by existing built form.	We agree with this scoring	0	0
Grade II	0	The remaining 258 sites are unlikely to significantly impact any Grade II Listed Buildings, primarily due to sites being separated from listed buildings by existing built form.	We agree with this scoring	0	0
Conservation Area	0	The remaining 271 sites are not expected to have a significant impact on the setting of any CA, with negligible impacts identified.	We agree with this scoring	0	0
Scheduled Monument	0	All other sites within Medway are not located in close	We agree with this scoring	0	0

		proximity to any SMs, and as such, the proposed development at these sites would not be expected to significantly impact the setting of any of these SMs.			
Registered Park and Gardens	0	The remaining sites are deemed unlikely to have a significant impact on the setting of any RPG due to the previously developed nature of the sites and/or presence of intervening development. All other sites have therefore scored negligible against RPGs.	We agree with this scoring	0	0
<b>SUB TOTAL</b>	<b>0</b>			<b>0</b>	<b>0</b>
<b>SA Objective 10 (Transport)</b>					
Proximity to bus stop	0	51 sites are located wholly or partially outside of the sustainable distance of 400m from a bus stop providing regular services. The proposed development at these sites could potentially have a minor negative impact on access to sustainable transport.	The proposals for the site include provision of a bus stop following continued discussions with an operator such as to address concerns over access.	-1	-1
Proximity to railway station	-1	102 sites are located over 2km from a railway station. The proposed development at these sites could potentially have a minor negative impact on site end users' access to rail services.		-1	-1
Pedestrian or cycle access	0	However, 65 sites currently have poor access to the existing footpath network. The proposed development at these sites could potentially have a minor negative impact on local accessibility,	Plan 8 in the supporting Green and Blue infrastructure framework identifies the site as being next to an "off road or traffic free" route and a "quieter route" so as to already have good access for such facilities. LW8 is only	+1	-1

		and pedestrian/cyclist access would need improvement to be considered a viable transport option.	adjacent to a PROW yet scores +1.		
Access to local services	+1	240 sites are identified to provide sustainable pedestrian access to local shops and services, within a distance of 600m. Sites located in urban areas generally have better access to local services, in some cases multiple stores. These sites are likely to have a minor positive impact on access to local services for site end users.		-1	-1
Public transport nodes	0	The remaining 150 sites do not lie within 300m from high frequency bus stops and 800m from a rail station. These sites are therefore likely to have a negligible impact on sustainable access to high-frequency public transport		0	0
<b>SUB TOTAL</b>	<b>0</b>			<b>-2</b>	<b>-4</b>
SA Objective 11 (Education)					
Primary school	-1	79 residential sites are located over 800m from a primary school. The proposed development at these sites could potentially have a minor negative impact on pedestrian access to primary schools.		-1	-1
Secondary school	-1	91 sites are located over 1.5km from a secondary school. The proposed development at these 91 sites is likely to have a minor negative impact on sustainable access to secondary schools.		-1	-1



Further education	+1	Over half of proposed residential sites (173) are located within 3km of a further educational facility. The majority of these are located in the urban area of Medway. The proposed development at these sites is likely to have a minor positive impact on access to higher education facilities.		0	0
<b>SUB TOTAL</b>	<b>-1</b>			<b>-2</b>	<b>-2</b>
<b>SA Objective 12 (Economy)</b>					
Access to major employment locations	+1	All of the proposed residential or mixed-use development sites (287) are within the sustainable target distance of 5km to a major employment location. The proposed development at these 287 sites would therefore be expected to provide sustainable access to employment opportunities, and therefore result in a minor positive impact.		+2	0
Employment floorspace provision	NA	Furthermore, 88 sites are proposed for mixed uses including residential, and it is uncertain whether the proposed development would result in a net change in employment floorspace as the proposed land uses are unknown.		+1	+1
<b>SUB TOTAL</b>	<b>+1</b>			<b>+3</b>	<b>+1</b>
<b>GRAND TOTAL</b>	<b>-7</b>			<b>-14</b>	<b>-13</b>

6.5 When comparing the overall scores it therefore shows that as an overall score site RN2 performs better than two of the proposed allocations with very similar characteristics. Furthermore, in respect of each SA objective site RN2 is never shown to be the worst performing of the three sites considered.

6.6 The reasons for excluding the site for consideration through the preferred blended strategy therefore make no reasoning here when it is considered that (i) the reasoning

was deemed acceptable to allocate it through the dispersed growth approach; and (ii) the same justification could be used to discount sites LW8 and HW11 that have been deemed acceptable without further justification.

- 6.7 It is therefore submitted that the present justification for allocation or not of sites is lacking as part of the overall evidence base provided for the emerging plan. Where sites have been deemed acceptable as part of the dispersed growth approach there ought to be further clarification on why they have been discounted from the blended growth approach given the very limited reasoning evidenced to date.

# Response to Consultation Questions

## Section 7

- 7.1 Within the opening section of the local plan consultation, it sets out a series of questions which are set out below along with our respective answers where appropriate to these representations.

*Question 1: The Council could consider setting local standards for development that go beyond national policy/regulations in addressing climate change. What evidence would justify this approach, and what standards would be appropriate?*

It will be critical that any approach that goes beyond national regulations is properly tested against potential impacts on viability and ultimately deliverability. This has been clarified recently in respect of a High Court challenge [2024] EWHC 1693 (Admin) against a previous WMS concerning energy-efficiency standard for new housing.

Without undertaking the necessary evidential basis for setting standards beyond those require through national policy or regulations there would otherwise be a risk that this would result in detrimental impacts to housing delivery in particular.

*Question 2: Do you consider that the Council should seek to go beyond the statutory minimum of a 10% increase in BNG? What evidence can you provide to support your view?*

Whilst noting that the likes of Natural England and KCC ecology in particular argue that the 10% figure is only the baseline for mitigation the simple fact remains that at present the ramifications of adopting a higher level such as the 20% figure many would prefer are unknown in terms of not only viability of delivery on sites but also the overall approach to development capacity of sites. Adopting a higher level is therefore likely to result in upward pressure for greater release of sites due to the reduced capacity that sites will have to deliver the enhancement.

*Question 3: Do you agree that the tariff based strategic approach applied to development within 6 km of the designated areas, supporting the delivery of the Bird Wise SAMMS programme represents an effective means of addressing the potential impact of recreational disturbance on the designated SPA and Ramsar habitats of the Thames, Medway and Swale Estuaries and Marshes.*

The approach to the SAMMS has been adopted for years and is supported by Natural England as an appropriate mitigation process so there is no objection in principle to maintaining the approach. The costs per dwelling ought to be reviewed with the new appropriate evidence base though to justify it.

*Question 4: Do you consider that Medway Council should identify landscapes of local value as an additional designation in the new Local Plan. What should be the criteria for designation? Are there areas that you would identify as justifying a local valued landscape designation – where and why?*

Paragraph 181 of the adopted NPPF allows the recognition of locally designated sites within the wider landscape hierarchy, with paragraph 180 setting out the general approach for protection and enhancement for valued landscapes with (b) referencing “the intrinsic character and beauty of the countryside”

The historic issue with the present local plan is that it has designated the majority of the natural green spaces as ALLIs which has caused complications for development. It is therefore important that the council moves away from a blanket approach to covering landscape and only seeks to identify particular landscape areas that have true value. The council have an updated Landscape Character Assessment as part of the evidence base to the emerging plan which should be the basis for any subsequent designation but this on its

own is not considered sufficient evidence to designate all of the LCAs as being of local value and deserving of any additional measures given that paragraph 180 b) already requires that policies and decisions recognise “the intrinsic character and beauty of the countryside...”
<i>Question 5: Do you agree that the Council should promote Natural England’s Green Infrastructure Framework standards in the Medway Local Plan policy?</i>
The Framework is a key document prepared by Natural England to seek to secure the greening of towns and improve connectivity to the wider surrounding landscapes and is therefore an important element of the framework for development.
<i>Question 6: Has the draft Medway Green and Blue Infrastructure Framework identified the correct key issues and assets, and provide effective guidance for strengthening Medway’s green infrastructure?</i>
The framework has clearly identified the strategic priorities to ensure that future developments enhance the existing infrastructure across Medway. It is noted that one of the aims to designate more Local Nature Reserves “to increase the hectare provision per 1,000 people” does not appear to have any clear details setting out what the provision should be and how this will affect the overall development aims across the plan. The framework also again raises the prospect of looking at whether it is possible to set a target greater than the mandatory 10% BNG, which will inevitably impact on site capacity and therefore a need for more allocated sites to meet future development needs.
<i>Question 7: Do you consider the Green Belt boundary should be revised in line with the recommendations in the 2018 Green Belt Assessment?</i>
This assessment is clearly dated having been prepared in the context of an entirely different plan and is therefore unquestionably out of date for the purposes of this consultation. It has no regard to the most up to date approach of the neighbouring authority of Gravesham in respect of land Parcels 1 and 2
<i>Question 8: Do you consider that exceptional circumstances exist to justify review of the Green Belt boundary?</i>
No, there is limited Green Belt land designated within Medway and sufficient opportunities for meeting the development needs over the plan period without the need to review the boundary and allocate land presently designated as Green Belt to meet the development needs. Whilst land to the north west might be considered appropriate given proposals within the neighbouring authority of Gravesham for more development, this could also be taken as greater reason to protect the limited Green Belt that Medway presently has. There may be an argument that the boundaries should be considered in order to address unmet housing need from neighbouring authorities (namely Gravesham and Tonbridge and Malling) who are both more constrained by both Green Belt and National Landscapes (what was formally known as AONB), however both of those authorities should first review their own Green Belt to identify what can be delivered before there is any justification to review what little supply there is of such land in Medway.
<b>Built Environment</b>
<i>Question 9: Should this policy be broadened out to areas adjacent or near to Conservation Areas rather than only within? If so, please explain why.</i>
No comment
<b>Housing</b>
<i>Question 10: Do you think this policy provides effective guidance on the required housing mix in Medway?</i>
This policy avoids setting specific targets through a policy and instead linking to the most up to date assessment through a LHNA or other updated report. Subject to such reports being reviewed at the appropriate timescales this would ensure the most effective guidance to ensuring that new developments are designed to reflect the expressed housing mix. The policy recognises the need for a flexible approach in so far as that it also requires the mix to be appropriate to the site and surroundings as opposed to solely designed around an identified mix through the LHNA or other report.

<i>Question 11: Do you agree with having a 10% requirement for affordable housing on urban brownfield sites and 30% requirement for affordable housing on greenfield sites and higher value urban locations? What do you consider would represent an effective alternative approach? Do you agree with a varied approach for affordable housing requirements based on the different value areas across Medway?</i>
The principle behind this approach and that of policy T3 is supported, however there is a significant concern in that at present this policy is reliant upon a viability appraisal from 2021 and therefore not reflective of the current situation with construction costs. Furthermore, the assessment was also undertaken when there was the existence of the HIF bid of £170m relating to improvements on the Hoo Peninsula, which has since been rescinded. The loss of such funds will have significant impacts on the overall viability of many of the sites on the Peninsula in particular which are likely to have material impacts on scheme viability. Whilst it is noted that council officers in presentations on the Plan have stated that an updated viability assessment would be produced at the Regulation 19 stage the failure to have account for the changing economic circumstances as part of the present Regulation 18 consultation is unfortunate such that the true implications for future affordable housing provision are unknown still at this time.
<i>Question 12: What do you consider would represent an effective split of tenures between social/affordable rent and intermediate/low-cost home ownership housing in delivering affordable housing?</i>
No comment
<i>Question 13: Do you have any views on the delivery of affordable housing, and the cascade principle? What evidence can you provide to support your views?</i>
No comment
<i>Question 14: Do you have views on defining the limits to over-concentration of HMOs in a community? What criteria would be recommended?</i>
No comment
<i>Question 15: Do you have any sites you wish to promote for self-build allocation?</i>
No. We also would raise an issue with the general assumption that all major development sites should deliver 5% self build, especially when considered in the context of schemes on greenfield sites or higher value urban locations where the emerging policy seeks to require 30% affordable housing provision. Not every site will be able to accommodate self-build developments in a manner commensurate with achieving high quality design unless the result is more custom build where future purchasers only get to determine the internal layout of buildings whilst external appearance is controlled by the overall developer.
<b>Retail and Town Centres</b>
<i>Question 16: Do you support the approach to manage ancillary development outside of centres in this way?</i>
No comment
<i>Question 17: Do you support the approach to protect Medway's centres by requiring impact assessments in circumstances set out in the policy above?</i>
No comment
<i>Question 18: Do you agree with the proposed Chatham town centre boundary?</i>
No comment
<i>Question 19: Do you agree with the identification of the Primary Shopping Area boundary proposed within Chatham town centre?</i>
No comment
<i>Question 20: Do you agree with the Rochester district centre boundary proposed?</i>
No comment
<i>Question 21: Do you agree with the Primary Shopping Area boundary proposed within Rochester district centre?</i>
No comment
<i>Question 22: Which option or combination of options would you choose for the Gillingham district centre boundary?</i>

No comment
<i>Question 23: Do you agree with the Primary Shopping Area boundary proposed within Gillingham district centre?</i>
No comment
<i>Question 24: Which option or combination of options would you choose for the Strood district centre boundary?</i>
No comment
<i>Question 25: Do you agree with the Primary Shopping Area boundary proposed within Strood district centre?</i>
No comment
<i>Question 26: Which option or combination of options would you choose for the Rainham district centre boundary?</i>
No comment
<i>Question 27: Do you agree with the Primary Shopping Area boundary proposed within Rainham district centre?</i>
No comment
<i>Question 28: Would provision of a supermarket in Hoo be beneficial to residents to encourage sustainable travel patterns, convenience and sustainable lifestyles?</i>
No comment
<i>Question 29: Do you agree with the boundaries and retention of these listed local and rural centres?</i>
No comment
<i>Question 30: Are there any other local and rural centres you may want to suggest for inclusion?</i>
No comment
<i>Question 31: Do you agree with the boundaries and retention of the listed shopping parades and neighbourhood centres?</i>
No comment No comment
<i>Question 32: Are there any further neighbourhood centres or shopping parades you may want to suggest for inclusion?</i>
No comment
<i>Question 33: Do you agree with the proposed boundary for Dockside as a leisure destination? Please refer to the proposal map for the boundary suggestion.</i>
No comment
<i>Question 34: Do you support the percentage mix of uses proposed? If not, can you provide evidence for an alternate mix?</i>
No comment
<b>Transport</b>
<i>Question 35: Adequate overnight lorry parking would reduce the risk of lorries parking in locations that lack proper facilities and/or cause a nuisance. Are there local shortages for overnight lorry parking in Medway?</i>
No comment
<b>Health, Communities and Infrastructure</b>
<i>Question 36: Are there any core health and wellbeing issues or opportunities missing from the policy?</i>
No comment
<i>Question 37: What are examples of healthy development in Medway you would like to see more or less of?</i>
No comment
<i>Question 38: Of those health areas listed, what are the most important for the local plan to address?</i>
No comment



<i>Question 39: How can the local plan ensure that development is inclusive and accessible for all members of our community, including people with disabilities?</i>
No comment
<i>Question 40: The designation of land as Local Green Space allows communities to identify and protect green areas of particular importance to them. The Local Green Space designation should only be used where the green space is: a) in reasonably proximity to the community it serves; b) demonstrably special to a local community and holds a particular local significance, for example because of its beauty, historic significance, recreational value (including as a playing field), tranquillity or richness of its wildlife; and c) local in character and is not an extensive tract of land. Please use the online map to identify a green area for consideration as designated Local Green Space.</i>
No comment
<i>Question 41: Sport England require an up-to-date PPS to justify the protection, enhancement and provision of playing pitches. Based on an audit and assessment of the supply and demand for existing and future playing pitches, the PPS provides recommendations and an action plan for addressing issues regarding the quantity, quality and accessibility of playing pitches and ancillary facilities. Medway Council's latest PPS was completed in October 2019 for the period 2018-35. Medway Council is inviting local clubs, national governing bodies of sport and other users and providers to review the latest PPS. More specifically, are there any matters in the latest PPS that should be updated?</i>
No comment
<i>Question 42: Do you agree identifying the required infrastructure to support the scale and locations of growth within Medway is the correct approach? Would a 'mini IDP approach' focusing on broad locations and strategic sites be preferred? Or do you have an alternative suggested approach?</i>
It is essential that the required new infrastructure is provided to meet the pressures from new development. It may of course be sensible for certain areas to produce the suggested mini IDP such as for development on the Hoo Peninsula given the significant infrastructure funding gap post loss of the HIF that was required to support previously intended growth. The security from such an IDP might establish the quantum of development that can be accommodated on a staged approach relative to infrastructure, or a means by which to recover upfront costs if a single developer needs to forward fund infrastructure that other schemes then benefit from.
<i>Question 43: Align infrastructure provision in line with this growth – how can we balance growth and new infrastructure requirements with funding gap?</i>
No comment
<b>Waste Management</b>
<i>Question 44: In light of the geological/spatial constraints in Medway and predicted limited ongoing need, do you agree that it is appropriate for the Council to plan for the management of non-inert waste that may require landfill on the basis that it will be managed at landfill sites located outside Medway?</i>
No comment

# Draft Policies

## Section 8

8.1 The council are seeking to meet the identified future development needs for both housing and the economy as part of the emerging proposals, whilst also balancing the other requirements for achieving sustainable development as embodied within the NPPF.

8.2 We would respectfully suggest that the following needs to be taken into consideration:

Policy	Feedback
S1: Planning for Climate Change	This policy is generally supported and will cross refer to other policies in due course, such as policy DM1 where it refers to flood risk and the sequential approach to development.
S2: Conservation and Enhancement of the Natural Environment	This policy is generally supported and we particularly note that the council are sensibly only seeking to require a measurable net gain of 10% in biodiversity as opposed to the consideration of higher targets that KCC ecology have previously raised as a preference. The policy wording should however be revised to link the net gain requirements to legislation which can then be revised accordingly as opposed to otherwise potentially being out of date should the national level change during the lifespan of the plan.
S3: North Kent Estuary and Marshes designated sites	This policy is generally supported as the approach to making a standard payment has been adopted without issue for several years across Medway and neighbouring authorities, in accordance with the approval of Natural England. We would wish to see clarification though in the policy to the term 'within close proximity' as at present the only definitions are within or outside of 6km.
S4: Landscape protection and enhancement	Whilst the principle of this policy is supported at present the wording is too loose when cross referenced with the terms of paragraph 181 of the NPPF. This requires there to be a distinction between the hierarchy of landscape designations which is lacking in the policy. Whilst paragraph 180 b) sets out that policies should recognise " <i>the intrinsic character and beauty of the countryside</i> " this is also linked to 180 a) and " <i>protecting and enhancing valued landscapes, sites of biodiversity or geological value and soils (in a manner commensurate with their statutory status or identified quality in the development plan)</i> ..." The policy therefore needs redrafting to clearly delineate



	<p>between the hierarchy of landscapes and protections that apply to each level.</p> <p>What the NPPF does not do is to say that all landscape must be protected or enhanced as is the suggestion under the emerging policy. The present wording does not set out that the requirements to conserve or improve relates only to valued landscapes.</p> <p>The policy and supporting text must reflect the fact that the Medway LCA is a broad scale assessment and that when assessing individual development proposals, a more specific site/local area assessment will be required to assess landscape impacts.</p>
S5: Securing Strong Green and Blue infrastructure	We support the general approach within this policy, again noting that there is crossover with other policies in relation to climate change, public connectivity etc.
S6: Kent Downs Area of Outstanding Natural Beauty National Landscape	The policy should be in conformity with the terms of the NPPF, presently set out at paragraph 182. At present the policy is silent on how schemes within the setting of the AONB National Landscape ought to be assessed despite paragraph 182 providing the clear approach.
DM1: Flood and Water Management	We support the approach of this policy save for one element of specific wording under the heading of Sustainable Urban Drainage. The first bullet requires that developments should “ <i>replicate Greenfield runoff rates and volumes.</i> ” This should only be applicable to sites that are indeed Greenfield, whereas on any brownfield site the approach should be to ensure that runoff rates and volumes are no greater than existing to avoid undue pressures that may affect off-site rates.
DM2: Contaminated Land	We are supportive of this approach.
DM3: Air Quality	We are supportive of this approach.
DM4: Noise and Light Pollution	We are supportive of this approach.
S7: Green Belt	Depending on the outcome of the consultation on the NPPF, which remains open when this regulation 18 consultation closes, this policy may need revising to include any potential future reference to Grey Belt land and the revised exceptions approach.
T1: Promoting High Quality Design	Whilst we are supportive of the general approach that this policy seeks to deliver, the present wording of the policy is cumbersome and has significant overlap with other draft emerging policies and other regulations outside of the planning framework (namely Building Regulations). The emerging NPPF consultation moves away from the use of the term ‘beautiful’ which may require revisions to the supporting text for this policy.
DM5: Housing Design	It is important to acknowledge the controls over the use of the Nationally Described Space Standards

	<p>(NDSS) as set out in the PPG. This states clearly that “<i>Local planning authorities have the option to set additional technical requirements exceeding the minimum standards required by Building Regulations in respect of access and water, and an optional nationally described space standard. Local planning authorities will need to gather evidence to determine whether there is a need for additional standards in their area, and justify setting appropriate policies in their Local Plans.</i>” (Paragraph: 002 Reference ID: 56-002-20160519)</p> <p>The PPG is therefore clear that any intention to impose standards above the NDSS requires clear justification given the potential implications that this could have on overall viability of schemes.</p>
DM6: Sustainable Design and Construction	<p>Whilst we support this policy approach the requirement that all planning applications demonstrate compliance with Building Regulations is unnecessary as these are different regulatory regimes and should not overlap. For example, it is a requirement of current Building Regulations to design schemes at 110 litres per person per day so this does not need to be demonstrated at the planning application stage.</p>
DM7: Shopfront Design and Security	No comments to make
DM8: Advertisements	No comments to make
S8: Historic Environment	The general approach to this policy is supported where it is in accordance with the NPPF.
DM9: Heritage Assets	<p>The general approach to considering the total loss or substantial harm to a designated heritage asset accord with the NPPF, namely paragraph 207. However, the policy as presently worded is not considered to appropriately reflect the test at paragraph 208 relating to proposals that result in less than substantial harm. The requirement for “<i>exceptional and overriding reasons</i>” set out in the emerging policy at present appears to relate to any heritage asset, whether designated or non-designated, whereas the NPPF at 206 makes it clear that this test only relates to designated assets. Paragraph 209 provides the approach to considering the impacts on non-designated assets. The policy wording ought to therefore be amended to align with the proper test in the NPPF</p>
S9: Star Hill to Sun Pier	No comments to make
DM10: Conservation Areas	<p>The general approach to this policy is supported albeit there are occasions where developments outside of a conservation area can affect the setting and it is therefore suggested that the policy and supporting text ought to establish the approach to how applications will be considered in those instances.</p>
DM11: Scheduled Monuments and Archaeological Sites	This policy is supported.

T2: Housing Mix	The general approach to this policy is in accordance with the NPPF seeking to ensure housing is delivered to meet the needs of all groups and forms of tenure etc.
T3: Affordable Housing	<p>The council have already noted in presentations on the consultation that the supporting Viability Assessment dates from 2021 and is therefore not entirely reflective of the current picture regarding what is deemed viable for developments. There is therefore the realistic prospect that an updated assessment to support the eventual Regulation 19 assessment may be markedly different. Furthermore, as part of the consultation on the NPPF the government have sought to update the definition of affordable housing in Annex 2, albeit that those changes do not impact on the emerging plan approach.</p> <p>What is to be noted though is the difference between the policy split and what is set out in the supporting text. The emerging policy notes the tenure mix as being:</p> <ul style="list-style-type: none"> <li>• <i>51% social/affordable rented housing.</i></li> <li>• <i>49% affordable home ownership including First Homes.</i></li> </ul> <p>The supporting text at 6.3.9 notes:  <i>“39% to be social rented, 21% to be affordable rented, with the remaining 40% as affordable home ownership, split as 25% First Homes and 15% ‘other’ affordable home ownership.”</i></p> <p>This would reflect a 60:40 split</p>
T4: Supported Housing, Nursing Homes and Older Persons Accommodation	<p>Whilst welcoming the inclusion of a specific policy relating to this form of delivery the current wording does not really provide certainty over delivery. The PPG makes it clear in regard to the differences between forms of provision and the NPPF itself was updated at paragraph 63 to note that older persons housing includes <i>“including those who require retirement housing, housing-with-care and care homes...”</i></p> <p>It is also important to note that this emerging policy and emerging policy T3 do not make it clear regarding the expectation for provision of affordable housing from those developments that fall within Class C2 use (typically care homes and housing-with-care in the form of extra care housing or Integrated Retirement Communities). The council at present accept that such uses do not require provision of affordable housing but this is presently missing as the affordable housing policy only refers to developments delivering <i>“10 or more residential units (net)...”</i></p>
T5: Student Accommodation	No comments to make
T6: Mobile Home Parks	No comments to make
T7: Houseboats	No comments to make

T8: Houses of Multiple Occupation	No comments to make
T9: Self-build and Custom Housebuilding	<p>Whilst supportive of the general approach to ensuring provision of self-build and custom housing to meet the needs of those registered with the council we have concerns over a general requirement for all sites of 100+ dwellings to provide “no less than 4% plots”. The policy ought to be supported by a detailed assessment for future need as identified within the PPG (paragraph 11 Reference ID: 57-011-20210208). Given that the plan is reliant to a significant extent on large scale developments a general broad brush approach to expecting 4% of units to be provided as plots may result in greater provision than required, which at present is not evidenced through the policy. The supporting text at 6.9.12 identifies a current demand of 430 plots such that excluding the identified sites there would be 405-410 plots required. At 410 units that would mean if more than 10,250 dwellings were to come forward on schemes of more than 100 units the provision of plots would outstrip current demand.</p> <p>Not all major development sites would necessarily be suited to such delivery given that if assuming a 100 unit scheme there would be a need to provide 4 plots for such purposes. This would potentially require an area to be separated from the main development site to allow for variation in design and appearance such that it would not compromise the overall street scene of a scheme. The NPPF acknowledges the benefits from increased provision of such housing but note that paragraph 70 links this to the identification of small sites for such purposes as opposed to requiring a portion of larger developments to meet this requirement. The policy makes it clear that such provision would not count towards any affordable housing provision such that, when also taking into account the emerging policy text for T3 and T11 there could be unintended consequences.</p>
T10: Gypsy, Travellers & Travelling Showpeople	No comments to make
T11: Small Sites and SME Housebuilders	<p>Whilst supporting the general principle of this policy there are concerns over the specifics set out in the text. The policy states that no site must exceed 60 units in order to for it meet the definition of an SME scheme and to maintain the character of a local area. This size threshold ignore previous schemes delivered within Medway by SMEs over recent years – land east of Rainham Road delivered by McCulloch Homes numbering 104 dwellings in 2 phases, land at Cliffe Woods being delivered by Esquire Homes numbering 93 dwellings in 2 phases. Both schemes are delivered by SMEs,</p>

	<p>notably Esquire who have been instrumental in establishing the Kent SME network. This rigid policy approach would therefore potentially exclude such schemes from this policy support.</p> <p>There is also an objection in principle to the suggestion that such SME schemes ought to exceed national and local design guidance to set a new standard. The other policy requirements are replicating policy specific requirements (heritage impacts for example) which are unnecessary.</p>
S10: Economic Strategy	Whilst supporting the approach of this policy it needs to be balanced against the proposed housing strategy that the council favour, notably the impacts on employment provision within Chatham Docks and Medway City Estate.
S11: Existing Employment Provision	We support this policy approach in general but are concerned over the approach to how redevelopment options will be considered. A requirement to demonstrate that a site has a detrimental impact on residential amenity first before being deemed acceptable is considered to be too onerous given that many of the former B2 uses are considered appropriate within residential areas, such that the policy approach would prohibit these being redeveloped in the future.
S12: New Employment Sites	We support the general approach, albeit recognising that other sites beyond those identified on the policies map may come forward that are otherwise in accordance with the plan and meet the requirements in the latest Employment Needs Assessment. The policy therefore requires a degree of flexibility to support such instances.
S13: Innovation Park Medway	Whilst supportive of the general approach of this policy it must be acknowledged that the future of this site remains in doubt following the council's review at the beginning of 2024 due to construction costs and the change more generally to business practices.
T12: Learning and Skills Development	No specific comments to make
T13: Tourism, Culture and Visitor Accommodation	No specific comments to make
S14: Supporting Medway's culture and creative industries	No specific comments to make
T14: Rural Economy	We support the recognition of needing a flexible approach to rural diversification whilst still conforming to the general requirements of the policies within the emerging plan.
S15: Town Centres Strategy	We support the general approach to this policy, recognising the changes that have happened within traditional High Streets and the need for them to evolve to meet the future development needs of the population.
S16: Hierarchy of Centres	No specific comments to make

T15: Sequential Assessment	No specific comments to make as there is clear guidance as part of the NPPG and Planning Practice Guidance on this matter.
T16: Ancillary Development	No specific comments to make
T17: Impact Assessment	No specific comments to make
S17: Chatham Town Centre	No specific comments to make
S18: Rochester District Centre	No specific comments to make
S19: Gillingham District Centre	No specific comments to make
S20: Strood District Centre	No specific comments to make
S21: Rainham District Centre	No specific comments to make
S22: Hoo Peninsula	No specific comments to make
S23: Hempstead Valley District Centre	No specific comments to make
DM12: Local and Rural Centres	No specific comments to make
T18: Shopping Parades and Neighbourhood centres	No specific comments to make
T19: Meanwhile Uses	No specific comments to make
DM13: Medway Valley Leisure Park	No specific comments to make
DM14: Dockside	No specific comments to make
DM15: Monitoring and Managing Development	No specific comments to make
T20: Riverside Path	No specific comments to make
DM16: Chatham Waters Line	No specific comments to make
DM17: Grain Branch	No specific comments to make
T21: Riverside Infrastructure	No specific comments to make
T22: Marinas and Moorings	No specific comments to make
T23: Aviation	No specific comments to make
T24: Urban Logistics	Whilst the approach to this policy is reasonable there is of course the potential conflict with the proposed allocations that would themselves result in the direct loss of some potential operational sites.
T25: User Hierarchy and Street Design	This policy seems unnecessary in its approach given that the purpose of Design and Access Statements for developments is already well established.
T26: Accessibility Standards	No specific comments to make
DM18: Transport Assessments, Transport Statements and Travel Plans	This policy is considered acceptable being in accordance with the NPPF.
DM19: Vehicle Parking	Whilst the overall policy approach is supported it is important that this policy does not go beyond the requirements set out through Building Regulations Document S.
DM20: Cycle Parking and Storage	No specific comments to make
T27: Reducing Health Inequalities and Supporting Health and Wellbeing	This policy is consistent with the council's intended aims to improve health quality and whilst the wording is ambiguous in places the overall approach is to be supported.
T28: Existing Open Space and Playing Pitches	No specific comments to make
DM21: New open space and playing pitches	The only specific comment would be in respect of part b) and the reference to older persons housing when then also factoring in the requirements to be



	calculated by likely household size. Older persons housing may still be provided as 2 or 3 bedroom to allow for flexibility but the occupancy would only be a maximum of 2 people which should be reflected in any open space requirement.
T29: Community and Cultural Facilities	No specific comments to make
S24: Infrastructure Delivery	No specific comments to make
DM22: Digital Communications	No specific comments to make
T30: Safeguarding Mineral Resources	No specific comments to make
T31: Safeguarding of Existing Mineral Supply Infrastructure	No specific comments to make
T32: Supply of Recycled and Secondary Aggregates	No specific comments to make
T33: Extraction of Land Won Minerals	No specific comments to make
DM23: Waste Prevention	
T34: Safeguarding of Existing Waste Management Facilities	No specific comments to make
T35: Provision of Additional Waste Management Capacity	No specific comments to make
T36: Location of Waste Management Facilities	No specific comments to make
T37: Other Recovery	No specific comments to make
T38: Non-inert Landfill	No specific comments to make
T39: Beneficial Use of Inert Waste by Permanent Deposit	No specific comments to make
T40: Wastewater Treatment	No specific comments to make
S25: Energy Supply	No specific comments to make
T41: Heat Networks	No specific comments to make

# Conclusion

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## Section 9

- 9.1 We look forward to continuing to work with the Council as the Local Plan is progressed to the next stage, the Regulation 19 submission.
- 9.2 We consider that the emerging plan, taken as a whole, has been positively prepared and seeks to balance the pressures of future growth with protecting the landscape, providing more sustainable forms of travel and ensuring the delivery of sustainable development to meet the climate change crisis.
- 9.3 The emerging plan reflects a significant amount of effort from officers and members of the steering group alike and we applaud them for all of this to reach this stage of Regulation 18 consultation.



# Appendix 1

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2023 Regulation 18 representations





Medway Council  
Planning Policy Team

Date: 31 October 2023

Our Ref: M16/0903.08

Your Ref:

By email only: [futuremedway@medway.gov.uk](mailto:futuremedway@medway.gov.uk)

Dear Sir/Madam

**RE: MEDWAY COUNCIL LOCAL PLAN 2022-2040  
REGULATION 18 CONSULTATION**

I am writing on behalf of my clients, Nightingales Homes Ltd, who are the promoters of land to the east of Yokosuka Way for a residential led development.

**Site and Proposed Development**

The site comprises a total of 16hectares (39.5acres) of land, located to the east of Gillingham town centre and to the north of Twydall.

The site can be accessed via a gated track on Grange Road or via the exiting Lower Featherby Road, which is also gated at the top close to the crossroad with Grange Road. There are no public rights of way across the site, or any permissive rights of way affording public access.

The northern boundary of the site is defined by Grange Road, with the eastern boundary defined by Eastcourt Lane. The south western boundary is edged by the Yokosuka Way carriageway, with the north western boundary edged by Lower Featherby Road connecting with Grange Road and further north to Lower Rainham Road.

The present land designation in the adopted local plan indicates that the entire site is washed over by the Area of Local Landscape Importance. Lower Featherby Road is designated as a rural lane, whilst the Riverside country park further to the north east is protected by virtue of policy L9.

This site was recently put forward in the Call for Sites process, which has been the situation since at least 2010 as per the history below:

- 2010 – excluded on the basis of policy grounds and being a Greenfield site.
- 2015 – the site scored poorly on landscape grounds, being identified as best and most versatile agricultural land, being generally unsuitable for residential or economic development.
- 2017 – excluded purely on suitability grounds.
- 2018 - excluded purely on suitability grounds with commentary relating to agriculture, landscape and unsuitable location.
- 2019 - excluded purely on suitability grounds.

We are in the process of working up a planning application for this site to deliver in the region of 500 dwellings (including policy compliant affordable housing as well specialist accommodation for older people) as well as significant areas of open space and on-site local facilities/services where required. This will secure a mixed-use development with benefits extending beyond the proposed residential area to the neighbouring wards, utilising and enhancing the existing local infrastructure for a sustainable development with the potential to deliver significant employment growth.

## National Planning Policy Context

The NPPF sets out at its core the description of sustainable development. This encompasses economic, social and environmental ‘pillars’, emphasising the need to ensure sufficient land of the right *types* is available to support growth, innovation and improved productivity. Paragraph 11a) sets out that all plans should “*promote a sustainable pattern of development that seeks to: meet the development needs of their area; align growth and infrastructure; improve the environment; mitigate climate change (including by making effective use of land in urban areas) and adapt to its effects.*”

The Planning Practice Guidance (hereafter PPG) indicates that constraints should not be applied to the overall assessment of development needs, as limitations such as housing market capacity, Green Belt or environmental designations are not relevant to assessing the scale of need, but “*considerations when assessing how to meet need*”. It is relevant to note that while Medway has only approximately 5% of its land designated as Green Belt (see paragraph 5.49) which seeks to restrict development, this is not unusual within the South East. Indeed, Medway is significantly less constrained than a number of its neighbouring Kent authorities, many of which have a much higher coverage of Green Belt – for example 77% of Gravesham and 71% of Tonbridge and Malling is covered by the Green Belt designation.

The PPG provides clarity on how local plans are to be produced stating that “*Authorities preparing local plans should assess future needs and opportunities for their area, explore and identify options for addressing these, and then set out a preferred approach (except where this has already been dealt with through a spatial development strategy). This involves gathering evidence, carrying out a Sustainability Appraisal to inform the preparation of local plans and effective engagement and consultation with local communities, businesses and other interested parties.*” (Paragraph: 034 Reference ID: 61-034-20190315)

The purpose of the statutory Sustainability Appraisal process is to “*to promote sustainable development by assessing the extent to which the emerging plan, when judged against reasonable alternatives, will help to achieve relevant environmental, economic and social objectives.*” (Paragraph: 001 Reference ID: 11-001-20190722). This is intended to be an iterative process, undertaken so that the evidence underpinning the plan is tested transparently, with full recognition of potential environmental, social and economic effects.

The PPG then goes on to note that “*Section 19 of the Planning and Compulsory Purchase Act 2004 requires a local planning authority to carry out a sustainability appraisal of each of the proposals in a plan during its preparation. More generally, section 39 of the Act requires that the authority preparing a plan must do so with the objective of contributing to the achievement of sustainable development.*” (Paragraph: 001 Reference ID: 11-001-20190722).

The preparation of an SA is intended to be an integral part of the preparation of the Local Plan, informing the generation and testing of options. In accordance with the flowchart referenced at Paragraph: 013 Reference ID: 11-013-20140306 the Council ought to be at Stage B of the SA process now, which is “*Developing and refining alternatives and assessing effects.*”

## Vision for Medway in 2040

The NPPF requires Councils to plan positively to seek opportunities to meet the development needs of the area and as a minimum to provide for objectively assessed needs for housing. This means planning over the long term to meet the needs not only of today’s population, but the projected growth of an area and the needs expected to arise over the Strategic Plan period and beyond.

The NPPF sets out clearly at paragraph 22 that “*Strategic policies should look ahead over a minimum 15 year period from adoption, to anticipate and respond to long-term requirements and opportunities, such as those arising from major improvements in infrastructure. Where larger scale developments such as new settlements or significant extensions to existing villages and towns form part of the strategy for the area, policies should be set within a vision that looks further ahead (at least 30 years), to take into account the likely timescale for delivery.*” A vision to 2040 would therefore require the plan to be adopted by 2025 to comply with the minimum 15 year period, which may be tight despite the published timetable in the October 2022 LDS that envisaged adoption by Autumn 2023.

## Strategic objectives

We support the overall objectives set out in the consultation to ensure that the new local plan will be able to transform Medway over the plan period and tackle all of the key issues. It is vital that alongside housing development the plan also delivers employment generation as well as the necessary infrastructure, whilst securing protection and enhancement of the landscape and environment.

The Local Housing Needs Assessment (2021) provides the summary of housing need across all sectors with key headlines being:

- Annual need for 870 affordable homes per year (or 55% of overall housing need);
- Need for greater supply of specialist housing for older people;
- 5% of all new dwellings per year to be M4(3) wheelchair accessible

## Developing a Spatial Strategy

The Council acknowledge the challenges that it faces to deliver the Housing need over the plan period stating under 5.3 that the “*Standard Method formula for Local Housing Need identifies a need for 1,667 homes a year in Medway, or around 28,500 over the plan period to 2040. This level of housing need is greatly higher than rates of housebuilding seen in Medway for over 30 years.*” The strategy goes on to set out that the Council are looking at alternative growth scenarios which show lower population growth, albeit recognising the current housing crisis.

Whilst raising concern with the standard method it is of course to be noted that the policies in the local plan are more than 5 years old and as such, in accordance with paragraph 74 of the NPPF, local housing need is to be derived from the standard method and not the local plan. Additional guidance is provided in chapter 68 of the Planning Practice Guidance (PPG): “Housing supply and delivery”. Paragraph 68-001 of the PPG states: “*The standard method for calculating local housing need provides a minimum number of homes to be planned for. Authorities should use the standard method as the starting point when preparing the housing requirement in their plan, unless exceptional circumstances justify an alternative approach. The Housing Delivery Test measures whether planned requirements (or, in some cases, local housing need) have been met over the last 3 years. The 5 year housing land supply is a calculation of whether there is a deliverable supply of homes to meet the planned housing requirement (or, in some circumstances, local housing need) over the next 5 years.*”

The Housing & Demographics (April 2021) document provides clear evidence of housing completions in Medway between 2001/02 and 2019/20 as shown in the extract below:

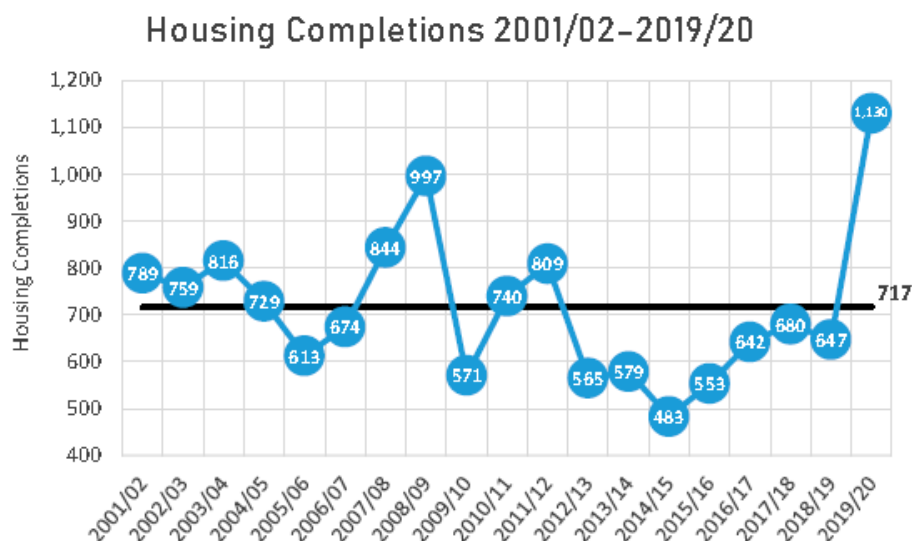


Figure 9: Housing Completions, 2001/02-2019/20 (Source: Medway AMRs<sup>3</sup> & MHCLG<sup>4</sup>)

This is a clear picture of the challenge ahead to deliver close to the 1,667 dwellings per annum required.

It is also relevant however to assess the Council's historic performance on housing delivery to provide a clearer picture on the challenge.

No. of homes required			Total	No. of homes delivered			Total	HDT 2018: Measurement	HDT 2018: Consequence
2015-16	2016-17	2017-18		2015-16	2016-17	2017-18			
1341	1322	1334	<b>3997</b>	553	661	669	<b>1883</b>	47%	Buffer

**Source HDT 2018 Measurement**

No. of homes required			Total	No. of homes delivered			Total	HDT 2019: Measurement	HDT 2019: Consequence
2016-17	2017-18	2018-19		2016-17	2017-18	2018-19			
1322	1334	1672	<b>4328</b>	661	669	647	<b>1978</b>	46%	Buffer

**Source: HDT 2019 Measurement**

No. of homes required			Total	No. of homes delivered			Total	HDT 2020: Measurement	HDT 2020: Consequence
2017-18	2018-19	2019-20		2017-18	2018-19	2019-20			
1334	1672	1550	<b>4556</b>	669	647	1181	<b>2498</b>	55%	Presumption

**Source HDT 2020 Measurement**

No. of homes required			Total	No. of homes delivered			Total	HDT 2021: Measurement	HDT 2021: Consequence
2018-19	2019-20	2020-21		2018-19	2019-20	2020-21			
1672	1550	1111	<b>4332</b>	647	1181	1067	<b>2895</b>	67%	Presumption

**Source: HDT 2021 Measurement**

The Council's current stated position on housing supply (that being as of March 2022) is presently only sufficient to demonstrate a supply of 6,830 against a requirement of 10,050 (this including the 20% buffer), thereby amounting to 3.4 years supply (a shortfall of some 3,220 dwellings).

### Potential land supply for development

At paragraph 5.12 the consultation states that “*over the plan period of 2022-2040 is for 28,339 homes. Providing for a buffer to allow for some sites not coming forward for development would lift the total plan period need to over 29,000 homes.*” The buffer applied is approximately 2.3% for the overall supply, which is considered inadequate when considered in light of the Council's historic under provision of housing against numbers. A 5% lapse rate is typically supported for housing supply assessments which would otherwise seek to add a further 1,417 homes to make the overall provision more like 29,756.

It is important to recognise local concerns about the scale of projected growth negatively impacting on local infrastructure and services, and this needs to be fully reflected in how the Council approaches the development strategy and individual development proposals. The purpose of the Sustainability Appraisal that supports the Local Plan process is clear; plans should come forward comprehensively, knitting together residential, business, leisure and retail growth with appropriate infrastructure. The development strategy needs to be robustly defined to ensure opportunities look to develop for the long term sustainability of the area, and not for short term gains alone.

### Urban Regeneration

The sites listed under this section have the ability to deliver up to 11,151 new homes. This approach adopts the brownfield first approach of developing vacant or under-utilised brownfield land in accordance with the NPPF. Paragraph 5.19 makes reference to the use of town centre masterplans and development briefs to bring forward many of the sites. There is also reference to the wider Chatham Design Code that will seek to establish principles for regeneration of sites across Chatham.

What cannot be ignored is that under this heading it acknowledges that redevelopment is proposed at both Chatham Docks and Medway City Estate, currently large areas that provide employment opportunities for Medway. Whilst redevelopment of these areas could secure new housing provision this would be at the expense of existing employment provision. This is noted at paragraph 5.28 of the

consultation where it states that redevelopment of these areas “*raise issues on the possible re-location of existing businesses, as well as the types of new businesses that may be attracted to the areas.*” This is further reinforced a paragraph 5.56 where it states that “*The Medway Employment Land Assessment, 2020 indicated a need for c 62.3 hectares of employment land up to 2037. The majority of the land would be needed for warehousing and distribution activities.*”

This is of concern when considering the opportunity for new employment provision as set out on Map 5 given that all sites are north of the River with minimal opportunities identified within the main built up areas and surroundings.

### **Suburban Expansion**

This source of capacity has been identified as being able to provide up to 9,680 new homes to meet the future needs of Medway and are solely based in the south east part of Medway around Rainham and Hempstead/Chatham.

Much of the land is promoted within the Capstone Valley area that provides the Green Lung between Chatham and Hempstead and is a valuable landscape area. Furthermore, this area is contiguous with the proposed Lidsing Garden Village promoted for development through the Maidstone Local Plan that would see a continuous ribbon of development that would seek to deliver approximately 4,000 homes by the same land promoter across both Medway and Maidstone. This area benefits from the worst road connectivity to the national highway network with limited ability to secure improvements without likely requiring third party land and significant landscape impacts that would need to be mitigated for.

Within the areas north of Rainham it is noted that part of the areas considered relate to the land off Pump Lane (MC/19/1566) that was refused by the Council on the basis of:

- 1) Ecology impacts;
- 2) Heritage impacts;
- 3) Landscape impacts;
- 4) Highway impacts; and
- 5) Loss of BMV.

That refusal was subsequently upheld on appeal with the Inspector agreeing that development of the site would result in substantial adverse landscape impacts and harm to character and appearance of the countryside generally. Furthermore, it was determined that the scheme would “*result in a severe cumulative impact on traffic levels at key junctions in the local area and on the free flow of traffic on the local highway network*” (paragraph 12.236 of the appeal decision). The ecology, heritage and BMV grounds were not sufficient to warrant refusal however in the overall balance. Nevertheless, the acknowledged substantial adverse landscape impacts and severe highways impacts should mean that this site is unsuitable for consideration as part of the emerging plan as to do so would require significant highway improvements over and above those proposed at the time of the application/appeal and also having regard to other cumulative developments.

In contrast, my clients’ site on land east of Yokosuka Way has previously been considered by the Council as a potential development site when previously promoted for mixed-use development to provide for a potential new football stadium. When the previous local plan was consulted on in 2018 (that being the MEDWAY COUNCIL LOCAL PLAN 2012-2035 DEVELOPMENT STRATEGY REGULATION 18 CONSULTATION REPORT) the site had been excluded from consideration on the basis of potential effects on a locally valued landscape and impacts on the loss of BMV. However, it has subsequently been the case that the council have supported the development of other sites constrained in the same manner when deeming the wider benefits to outweigh the harms. Furthermore, although there are no detailed policies outlined in this current consultation, the previous emerging Local Plan that was published but withdrawn prior to consultation proposed the deletion of the current ALLI approach under policy BNE35 thereby downgrading the landscape of the site to being countryside but not a locally valued landscape. This therefore represents a significant change to the constraints for the site moving forward.

We consider that the effects of development at Riverview Park on the immediate and surrounding landscapes can be successfully managed and the site’s development deliver an attractive new neighbourhood. Detailed studies by a number of specialist consultants, including a landscape architect,

will be provided as part of a future application to demonstrate this. The allocation of the site will enable the Council to protect other sites across Medway which are expected to impact more negatively on the area's environmental and heritage assets. This site provides a logical extension to the town, and its allocation will ensure that the Council can safeguard more countryside locations on the outskirts of Gillingham. As recognised in the Plan, a quality environment can help boost the economy; in tandem with regenerating those areas across Medway where redevelopment can encourage fresh investment, the delivery of new, high quality employment space at Riverview Park will deliver a cohesive, landscaped scheme to attract businesses to Gillingham. Moreover, as part of the emerging application work, we have been engaged in discussions with the highways team who have stated that with the proposed junction arrangements as part of the scheme there would not be significant adverse impacts on the existing highway network that would of themselves represent a reason to make the site unacceptable. This is a significant difference to the impacts of the Pump Lane land being identified given the outcome of the recent appeal.

## Rural Development

This source of capacity clearly provides the greatest opportunity in numerical terms (the consultation noting capacity for up to 14,736 homes). It is hardly surprising that the opportunity areas are almost exclusively focussed on the Peninsula given the long running aspiration of the council to meet a significant amount of future needs here.

As the consultation notes, the potential for development here has been set out in the previous draft Hoo Development Framework consulted on in 2022. That framework recognised the key constraints for development at the scale proposed, noting the first constraint in the document as being “*Significant issues with traffic and air quality, particularly around Four Elms Roundabout.*” The Council had previously secured money through the HIF funding programme to deliver many of the required infrastructure improvements that would have been required to support the extensive development. However, that funding has now been withdrawn and with it the opportunity to deliver the significant investments required to support such extensive development as previously proposed. The opportunity to therefore deliver the scale of development originally intended must be curtailed such that the role of rural development to meet the overwhelming housing need is likely to be reduced in scale considerably.

## Green Belt Release

This source of capacity provides the smallest opportunity for development with provision only for up to 2,469 homes.

Paragraph 140 of the Framework states that local planning authorities with Green Belts in their area should establish Green Belt boundaries in their Local Plans which set the framework for Green Belt and settlement policy. Once established, Green Belt boundaries should only be altered where exceptional circumstances “*are fully evidenced and justified*”, through the preparation or review of the Local Plan. At that time, authorities should consider the Green Belt boundaries having regard to their intended permanence in the long term, so that they should be capable of enduring beyond the plan period.

Paragraph 141 then goes on to state that “*Before concluding that exceptional circumstances exist to justify changes to Green Belt boundaries, the strategic policy-making authority should be able to demonstrate that it has examined fully all other reasonable options for meeting its identified need for development.*”

Whilst there is no formal definition or criteria to demonstrate exceptional circumstances, there has been an increasing amount of case law as local planning authorities have begun to alter the boundaries of their Green Belt through their Local Plans. These cases have come under increasing scrutiny. One of the most established cases was **Gallagher Homes Limited v Solihull Metropolitan Borough Council** (2014). The following points were made clear by this decision are:

- Planning guidance is a material consideration for plan-making and decision taking. However, it does not have statutory force: the only statutory obligation is to have regard to relevant policies;
- The test for redefining a Green Belt boundary has not been changed by the Framework. It is not arguable that the mere fact that a local authority is drawing up its local plan is itself an exceptional circumstance justifying a boundary change. National guidance has always dealt with revisions of

the Green Belt in the context of reviews of local plans and has always required exceptional circumstances to do this;

- A local planning authority must find that exceptional circumstances exist before they make any alteration in a Green Belt boundary, whether it is considering extending or diminishing the Green Belt; and
- Whilst each case is fact-sensitive and the question of whether circumstances are exceptional for these purposes requires an exercise of planning judgement, what is capable of amounting to exceptional circumstances is a matter of law, and a plan-maker may err in law if they fail to adopt a lawful approach to exceptional circumstances. Once Green Belt has been established and approved, it requires more than general planning concepts to justify alterations.

Of course, more recently has been the case of Guildford Borough Council and its local plan of 2019 and the subsequent Judicial Review (2019). This was principally a case brought about by Compton Parish Council, Julian Cranwell and Ockham Parish Council against the release of land from the Green Belt as part of the new local plan. In the judgement the key issue was outlined at paragraph 7 as: *“The main general issue (numbered 2 in the list used by the parties) was whether the Inspector had erred in law in his approach to what constituted the “exceptional circumstances” required for the redrawing of Green Belt boundaries on a local plan review. This had a number of aspects, including whether he had treated the normal as exceptional, and had failed to consider rationally, or with adequate reasons, why Green Belt boundaries should be redrawn so as to allow for some 4000 more houses to be built than Guildford BC objectively needed. The scale of the buffer did not result, it was said, from any consideration of why a buffer of such a scale was required but was simply the sum of the site capacities of the previously allocated sites. There were two other general issues (1) and (7): (1) had the Inspector considered lawfully or provided adequate reasoning for not reducing the housing requirement, leaving some needs unmet to reflect the Green Belt policy constraints faced by Guildford BC? (7) Did Guildford BC breach the Environmental Assessment of Plans and Programmes Regulations 2004 SI No.1633, in deciding not to reconsider what might be reasonable alternatives to the proposed Plan when, in 2018, the objectively assessed housing needs figure was reduced from 12,426 to 10,678, with housing land supply allocations totalling 14,602. It was submitted that it ought to have considered alternatives such as removing the development allocation in the Green Belt from one or more of the contentious large sites.”*

The judgement set out clearly at paragraph 68 that *“There is no definition of the policy concept of “exceptional circumstances”. This itself is a deliberate policy decision, demonstrating that there is a planning judgment to be made in all the circumstances of any particular case; Calverton Parish Council v Nottingham City Council [2015] EWHC 1078 at [20], Jay J. It is deliberately broad, and not susceptible to dictionary definition.”*

The judgement continued noting at paragraph 69 that *“The parties agreed that whether a particular factor was capable of being an “exceptional circumstance” in any particular case was a matter of law; but whether in any particular case it was treated as such, was a matter of planning judgment. That does not take one very far, in my judgment, because a judicial decision that a factor relied on by a planning decision-maker as an “exceptional circumstance” was not in law capable of being one is likely to require some caution and judicial restraint. All that is required is that the circumstances relied on, taken together, rationally fit within the scope of “exceptional circumstances” in this context. The breadth of the phrase and the array of circumstances which may come within it place the judicial emphasis very much more on the rationality of the judgment than on providing a definition or criteria or characteristics for that which the policy-maker has left in deliberately broad terms.”*

In considering the relevant strength of the exceptional circumstances test paragraph 70 notes that:

*“Exceptional circumstances” is a less demanding test than the development control test for permitting inappropriate development in the Green Belt, which requires “very special circumstances.” That difference is clear enough from the language itself and the different contexts in which they appear, but if authority were necessary, it can be found in R(Luton BC) v Central Bedfordshire Council [2015] EWCA Civ 537 at [56], Sales LJ. As Patterson J pointed out in IM Properties Development Ltd v Lichfield DC [2014] EWHC 2240 at [90-91 and 95-96], there is no requirement that Green Belt land be released as a last resort, nor was it necessary to show that assumptions upon which the Green Belt boundary had been drawn, had been falsified by subsequent events.”*



The judgement then continued to discuss what could be defined as 'exceptional circumstances' in the following paragraphs:

*"71. There is however a danger of the simple question of whether there are "exceptional circumstances" being judicially over-analysed. This phrase does not require at least more than one individual "exceptional circumstance". The "exceptional circumstances" can be found in the accumulation or combination of circumstances, of varying natures, which entitle the decision-maker, in the rational exercise of a planning judgment, to say that the circumstances are sufficiently exceptional to warrant altering the Green Belt boundary.*

*72. General planning needs, such as ordinary housing, are not precluded from its scope; indeed, meeting such needs is often part of the judgment that "exceptional circumstances" exist; the phrase is not limited to some unusual form of housing, nor to a particular intensity of need. I accept that it is clearly implicit in the stage 2 process that restraint may mean that the OAN is not met. But that is not the same as saying that the unmet need is irrelevant to the existence of "exceptional circumstances", or that it cannot weigh heavily or decisively; it is simply not necessarily sufficient of itself. These factors do not exist in a vacuum or by themselves: there will almost inevitably be an analysis of the nature and degree of the need, allied to consideration of why the need cannot be met in locations which are sequentially preferable for such developments, an analysis of the impact on the functioning of the Green Belt and its purpose, and what other advantages the proposed locations, released from the Green Belt, might bring, for example, in terms of a sound spatial distribution strategy. The analysis in Calverton PC of how the issue should be approached was described by Jay J as perhaps a counsel of perfection; but it is not exhaustive or a checklist. The points may not all matter in any particular case, and others may be important especially the overall distribution of development, and the scope for other uses to be provided for along with sustainable infrastructure.*

*73. Mr Kimblin put forward Mr Cranwell's contention that the supply of land for ordinary housing, even with the combination of circumstances found here to constitute exceptional circumstances by the Inspector, could not in law amount to "exceptional circumstances." I cannot accept that, and I regard it as obviously wrong. These judgments were very much on the planning judgment side of the line; I do not see how they could be excluded from the scope of that phrase as a matter of law. This contention involves a considerably erroneous appreciation of the whole concept of "exceptional circumstances" and the role of the Inspector's planning judgment. Mr Kimblin accepted in oral argument that he might be putting it too high, but he said there still had to be something exceptional about the need.*

*74. It is of a piece with Mr Cranwell's further contention that the Inspector had ducked the issue of why the circumstances he found to be "exceptional" were "exceptional". The phrase "exceptional circumstances" should be considered as a whole, and in its context, which is to judge whether Green Belt boundaries should be altered in a Local Plan review. It is not necessary to explain why each factor or the combination is itself "exceptional". It does not mean that they have to be unlikely to recur in a similar fashion elsewhere. It is sufficient reasoning to spell out what those factors are, and to reach the judgment. There is a limit to the extent to which such a judgment can or should be elaborated."*

In addition, when considering whether to amend the boundary of Green Belt, the starting point for a local authority is that this decision should only arise after all reasonable and acceptable efforts have been taken to maximise the amount of development within the urban area. Optimising densities and ensuring that all land is appropriately used must be the first response to growth. This would include a review of employment land and other areas or uses that are protected by planning policies, commensurate with ensuring the proper balance between residential, employment and other uses.

Case law also has established that general planning merits cannot be exceptional circumstances; for example, it is not sufficient that the local authority consider that the relevant land would, or would not be, a sustainable location for development, or that they would have drawn the boundary line in a different place had they been starting from scratch. In other words, something must have occurred subsequent to the definition of the Green Belt boundary, the local authority or an inspector may form a different view on where the boundary should lie, however cogent that view on planning grounds, that cannot of itself constitute an exceptional circumstance which necessitates and therefore justifies a change.

Should a local authority decide that exceptional circumstances do necessitate a revision to Green Belt boundaries, they cannot revise the boundaries further than is necessary to meet those exceptional circumstances. For example, if exceptional circumstances have been demonstrated to necessitate the building of, for example, 50 additional homes per year on Green Belt land, they cannot then release land to allow for the building of 100 homes per year. In addition, a local authority will need to ensure that the exceptional circumstances justifying the release of Green Belt land are carried through to fruition when allocating sites for development/granting planning permission. For example, providing sufficient affordable housing provision on-site if a significant need for affordable housing has been successfully demonstrated to justify the release of land designated as Green Belt.

If challenged, the Court can declare the adoption of a plan unlawful and quash it (or parts of it) if the plan-maker has failed to take a lawful approach to exceptional circumstances. This means that it is not enough for a local authority or inspector to assert that exceptional circumstances exist; it is not possible to convert unexceptional circumstances into exceptional circumstances simply by labelling them as such.

At this stage it is not therefore considered that the council have demonstrated any exceptional circumstances to warrant a review of the green belt boundaries to facilitate future development. Accordingly, the potential capacity of 2,469 homes should be deleted from future consideration until such times as all other potential sources to meet the future needs are discounted.

### **Other comments**

It is notable that this current Regulation 18 lacks the detail on any emerging policy framework that was evident in the previous Regulation 18 consultation that took place in 2018. That consultation included specific details on emerging policies to be considered alongside the spatial strategy options. It is therefore unclear when that consultation will take place given that the LDS timetable only allows for a single further stage with the publication of the draft plan in early 2024.

The purpose of the Regulation 18 consultation is to engage with local residents and relevant organisations to identify how planning policies can be used positively to help address key issues within the local authority area. The consultation should take any issues that have been highlighted and then identify the preferred approach for addressing these through planning policy. The purpose of the public consultation is therefore to allow interested parties an opportunity to indicate if, on balance, they feel that the Local Plan takes the right approach to dealing with these issues or, if not, to highlight an alternative approach.

At present the opportunity for interested parties to comment on specific policies and whether or not the plan as a whole is appropriate is therefore significantly reduced to the Regulation 19 stage. It is therefore unclear whether previous detailed comments made on emerging policies from the previous Regulation 18 consultation in 2018 will be factored into the emerging policies that will be included as part of the subsequent Regulation 19 consultation and clarity on this is therefore sought.

### **Summary**

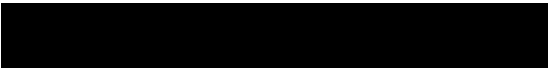
In conclusion, we broadly support the emerging spatial strategy to meet the future development needs of Medway over the plan period. We do not consider that there exist the exceptional circumstances to warrant release of Green Belt land to meet the development needs given the potential capacity from other sources.

Clearly a balance will need to be struck to realise the full potential of development from urban regeneration given the competing interests for housing and employment and it is important that through future development there remain sufficient opportunities for existing and new employment activities across Medway. Moreover, there needs to be a balanced approach in terms of location for employment uses across the Borough.

In terms of the opportunities provided through Suburban Expansion it will be important to consider the function and purpose of the various sites identified, and importantly consider their relationship to the neighbouring authorities and future development options there. Clearly, the Capstone Valley is under significant threat, increased more due to the proposals for a Garden Village as part of Maidstone

Borough Council's emerging plan despite the clear and obvious impacts for services and facilities within Medway. Given that the Council have objected to these proposals as part of the Examination in Public process and support for the development of neighbouring land within Medway would appear unjustified.

Yours sincerely

  
**IAIN WARNER BSc (Hons) DipTP MRTPI**  
**SENIOR DIRECTOR**  
For and On Behalf Of  
TETLOW KING PLANNING



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6<sup>th</sup> September 2024

Dear Sir / Madam

## **McCARTHY STONE AND CHURCHILL LIVING RESPONSE TO THE REGULATION 18 CONSULTATION ON THE MEDWAY DRAFT LOCAL PLAN**

Thank you for the opportunity to comment on the Medway draft Local Plan. McCarthy Stone and Churchill Living are the leading providers of specialist housing for older people. Please find below our comments which specifically address the need for specialist housing for older people and the benefits such housing can bring.

The following representation provides details as to the approach the Council should take towards meeting the specialist housing needs of older people and sets out recommendations for the Council to consider when setting policies to ensure the needs of older people are fully considered within the emerging Local Plan.

### **Policy T4: Supported Housing, Nursing Homes and Older Persons Accommodation**

We are pleased to see that Policy T4 recognises that housing for older people has its own requirements and should be considered separately to mainstream housing. However, given the large increase in older population identified in para 6.4.9 of the consultation draft, developers of older person's housing schemes should not be required to demonstrate additional need. This is especially so given the many benefits that such developments bring. This aspect of the policy should be deleted.

**Recommendation:** Although we support policy T4 the following bullet point should be removed from the policy to ensure it is justified and effective:

**‘Meets a proven need for that particular type of accommodation’.**

### **Policy T3: Affordable Housing**

Policy T3 states that *‘all developments in Medway of 10 or more residential units (net) will require the delivery of affordable housing’*, which includes specialist housing for older people.

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This is set at a level of 30% in higher value areas including greenfield sites and 10% on lower value areas and brownfield sites.

To support the affordable housing requirement the council has undertaken a Viability Study entitled 'Draft Viability Assessment for Consultation, HDH, December 2021'. As part of the viability assessment, we note that for brownfield and greenfield site options for housing for older people has been tested and this includes typologies for sheltered and extra care housing. Eighteen scenarios have been tested for each type of housing, with nine being on brownfield sites and nine being on greenfield sites. The policy requirement that creates the need for five scenarios for each land and housing type is affordable housing provision and nine different affordable housing scenarios, 0%, 5%, 10%, 15%, 20%, 25%, 30%, 35% and 40% have been tested for each of the four scenarios. For each scenario test on brownfield sites a **negative residual land value** has occurred, confirmed in table 10.22 and 10.23 (pages 237 and 238) of the Viability Assessment. For the scenarios on greenfield sites affordable housing is only shown as being viable at a lower level of 25% for sheltered housing and 20% for Extra care. This is re-confirmed within the viability assessment at para 10.111 in respect of sheltered and extra-care housing which states that *'Based on this analysis, greenfield sites are able to bear affordable housing, however not at the 30% / 10% policy requirements. The brownfield sites are unable to bear affordable housing'*.

Para 10.113 further says: *'As the specialist older people's housing is unable to bear the affordable housing policy requirements, there is not scope to seek an additional cost of CIL. This is not considered further.'*

The section on Older Peoples' Housing at para 12.110 again confirms this saying: *'Greenfield sites are able to bear affordable housing, however not at the 30% / 10% policy requirements. The brownfield sites are unable to bear affordable housing'*.

We also note that para 10.112 of the Viability Study states that 'When considering the above, it is important to note that paragraph 10-007-20180724 of the updated PPG specifically anticipates that the viability of specialist older people's housing will be considered at the development management stage. It is therefore not necessary to differentiate within policy for this sector'. This appears to be the approach that the council are taking forward and is repeated in Paragraph 12.111.

However, the PPG on viability at Paragraph: 002 Reference ID: 10-002-20190509 states that *'The role for viability assessment is primarily at the plan making stage. Viability assessment should not compromise sustainable development but should be used to ensure that policies are realistic, and that the total cumulative cost of all relevant policies will not undermine deliverability of the plan'* and that *'Policy requirements, particularly for affordable housing, should be set at a level that takes account of affordable housing and infrastructure needs and allows for the planned types of sites and development to be deliverable, without the need for further viability assessment at the decision making stage'*.

Paragraph 10-007-20180724 that was quoted in the viability assessment is an interpretation of the consultants that undertook the Viability Study. The paragraph referenced has been superseded by Paragraph: 007 Reference ID: 10-007-20190509. This now states *'It is up to*

*the applicant to demonstrate whether particular circumstances justify the need for a viability assessment at the application stage’ and ‘Such circumstances could include, for example where development is proposed on unallocated sites of a wholly different type to those used in viability assessment that informed the plan; where further information on infrastructure or site costs is required; where particular types of development are proposed which may significantly vary from standard models of development for sale (for example build to rent or housing for older people); or where a recession or similar significant economic changes have occurred since the plan was brought into force’.*

Therefore, the generic affordable housing requirement for older people’s housing is contrary to PPG, given that most of the scenarios for older people’s housing considered within the council’s own Viability Assessment at the plan making stage have been found to be unviable. The proposed 30/10% affordable housing requirement creates an unrealistic, over aspirational policy specification and will undermine deliverability of a critically needed type of housing. The plan as written, will not deliver sites for older people’s housing in line with need without necessitating further viability assessment. As older people’s housing has already been addressed within the Viability Assessment to inform the Local Plan and found to be mostly unviable, the affordable housing requirement should be removed from older person’s housing in order to comply with national policy. In addition, any requirement for affordable housing would no doubt result in protracted discussion at the decision-making stage. This would potentially be adversarial, requiring protracted negotiations with Council officers and their commissioned consultants, and result in difficulties with decision makers expecting policy compliancy. This would not only impact delivery but be contrary to the PPG. As a minimum, the policy should therefore be amended to make it clear that older person’s housing is exempt from all types of affordable housing on brownfield sites in line with the Viability Study, to ensure that the plan is deliverable, justified and consistent with national policy.

We would draw the Council’s attention to relevant Local Plan policies within Swale and Fareham Borough Councils. Based on detailed viability evidence, both have adopted Local Plans that exempt older people’s housing schemes from affordable housing. Furthermore, Fareham exempts older people’s housing from their Community Infrastructure Levy charge. Similarly, Maidstone BC has recently adopted a plan that has a lower affordable housing requirement for class C3 retirement housing and exempts housing that falls into the C2 use class from delivering affordable housing. Charnwood, Leicestershire, are towards the latter stages of their Local Plan examination and have recently consulted on main modifications that exempt specialist housing for older people from affordable housing, as well as removing the requirement for M4(3).

**Recommendation:**

Add the following text to Policy T3:

**‘Specialist housing for older people is exempt from providing affordable housing’.**

## **Comments on the Local Plan Economic Viability Assessment – October 2021, HDH (Viability Assessment)**

Whilst we welcome that the Council have tested sheltered and extra care housing on brownfield and greenfield sites in accordance with the PPG on Viability, we have some concerns with regard to some of the assumptions that have been used and if amended in line with the following recommendations, would be likely to make sheltered and extra care housing even less viable than already shown. As such the Viability Assessment should be re-run for sheltered and extra-care housing using the assumptions recommended below.

We would direct the Council towards the Retirement Housing Consortium paper entitled 'A briefing note on viability' prepared for Retirement Housing Group by Three Dragons, May 2013 (updated February 2016 ('RHG Briefing Note') available at <https://retirementhousinggroup.com/rhg/wp-content/uploads/2017/01/CIL-viability-appraisal-issues-RHG-February-2016.pdf>. The RHG Briefing Note establishes how sheltered housing and extra care development differs from mainstream housing and looks at the key variables and assumptions that can affect the viability of specialist housing for older people. These key variables include unit size, unit numbers and GIA, non-saleable communal space, empty property costs, external build cost, sales values, build costs, marketing costs and sales periods and significantly variable benchmark land values. We are also aware that the RHG Briefing Note is being updated and indeed we are informing that process. We therefore have the following comments on the assumptions that should be used within the Viability Assessment with respect to extra care and sheltered housing as defined by the PPG on housing for older and disabled people Paragraph: 010 Reference ID: 63-010-20190626. If the Viability update was re-run using these assumptions extra-care and sheltered housing would be likely to be shown to be even less viable in terms of delivering affordable housing.

### **Unit numbers / GIA / Density**

We note that the Viability Assessment has modelled a unit density of 120 dwellings per hectare resulting in a 60-unit scheme being modelled on a 0.5 hectare site for both the Sheltered and Extra-Care typology. However, a typical sheltered housing / retirement living scheme would consist of 45 dwellings on a gross site area of 0.45 hectares creating a density of 100 units per hectare. Extra care housing tends to have a lower density and a typical scheme would consist of 60 units on a 0.75 hectare site at a lower density of 80 units per hectare. Therefore, a scheme of 50 units should be modelled for sheltered housing and a scheme of 40 units should be modelled for extra care, both on a site of 0.5 hectares.

### **Unit Size**

The Viability Study should amend the 1 bedroom apartment sizes as follows. These have evolved in recent years with the National Space Standards and M4 (2) requirements and allow for additional storage and circulation space to facilitate downsizing:

- 1 bed sheltered 55 sq. m
- 1 bed extra care 60 sq. m

**Unit mix**

A typical scheme provides 1 and 2 bedroomed apartments using a mix of 60% 1 bed and 40 % 2 bed units on a development. This is the case for both sheltered (retirement) and extra care (retirement living plus) schemes.

**Non-chargeable / communal space**

Older persons' housing has a larger communal and non-saleable areas such as residents lounge, laundries, guest rooms, managers office and wellness rooms. Extra care housing also includes additional facilities such as a restaurant area. For sheltered schemes the non-chargeable space used should be 25% and for extra care schemes this should be 35% of GIA. We note that the Viability Assessment has used 20% and 30% respectively.

**Professional fees**

Given that a large number of specialist housing for older people is delivered on brownfield sites, in our experience these often involve more professional advisors associated with contamination, legal fees, drainage, air quality, overheating, sunlight, noise amongst other areas. We would therefore recommend that a 10% of build cost figure is used for brownfield sites for professional fees rather than 8%.

**Sales and marketing costs**

As detailed within the RHG Briefing Note sales and marketing costs for older persons housing schemes are typically 6% of GDV and this should be used within the older persons modelling rather than the 3.5% level for general housing.

**Sales periods**

As discussed in the RHG Briefing Note, sales periods of older persons' housing schemes are typically longer for retirement and extra care housing than general needs housing. There is a typical 18 month build period before sales can commence. Sheltered and Extra care schemes cannot be phased but must be fully operational and completed from month 1 of sales / occupation. As detailed within the RHG Briefing Note, once sales commence a rough guide is that 40% of units will be sold at the end of the first year of sales, 30% during the second year of sales and 30% during the third period. This should be considered within the viability modelling. These longer sales periods should therefore be incorporated into the Viability Study rather than the 3 months used within the study.

**Empty property costs**

It is recommended that a standard allowance of £5,000 per unit is assumed as a typical average empty property cost – to cover Council Tax liability on unsold units and service charges (which will be applicable to the whole building from day first resident moves in). This increases to £10,000 for extra care accommodation to reflect higher costs particularly in maintaining care, communal and catering facilities, staff and services and reflecting a slower sales rate than Retirement Living. We note that a cost of £3,000 has been applied to cover the sales period, but this is not enough to cover all costs.

**External build costs**

From our experience external build costs tend to range from 8% to 15% of base build costs on flatted schemes within urban areas and we therefore feel that an allowance is 10% of base



build cost should be used for external build costs for brownfield sites rather than the 5% used in the Viability Assessment.

### **Developer Return**

PPG sets out that 'For the purpose of plan making an assumption of 15-20% of gross development value (GDV) may be considered a suitable return to developers. However, for specialist housing for older people there is a clear precedent for a return of not less than 20% of gross development value primarily because of the risks associated with such developments. This is consistent with the Inspector's conclusions for appeals such as McCarthy Stone proposal at Redditch (Appeal Ref: 3166677), Churchill Retirement Living proposal at Cheam (Appeal Ref: 3159137) and the Churchill Retirement Living scheme at West Bridgford (Appeal Ref: 3229412) in 2019. 20% profit should therefore be assumed for specialist housing for older people rather than the 17.5% used within the study.

### **Policy S1 Planning for Climate Change**

We note that policy S1 seeks a reasonably flexible approach for planning for climate change, however the Council is questioning whether they should consider setting local standards for development that go beyond national policy/regulations in addressing climate change.

It is our view that any requirement should be 'stepped' in line with Government targets and the proposed changes to the building regulations and should not set local standards. This approach is confirmed within the Ministerial Statement (statement no : Statement UIN HCWS123 available from [Written statements - Written questions, answers and statements - UK Parliament](#)) released on 13<sup>th</sup> December 2023. The ministerial statement confirms that with respect to the net zero goal....

*'The improvement in standards already in force, alongside the ones which are due in 2025, demonstrates the Government's commitment to ensuring new properties have a much lower impact on the environment in the future. In this context, the Government does not expect plan-makers to set local energy efficiency standards for buildings that go beyond current or planned buildings regulations. The proliferation of multiple, local standards by local authority area can add further costs to building new homes by adding complexity and undermining economies of scale. Any planning policies that propose local energy efficiency standards for buildings that go beyond current or planned buildings regulation should be rejected at examination if they do not have a well-reasoned and robustly costed rationale' and 'To be sound, local plans must be consistent with national policy – enabling the delivery of sustainable development in accordance with the policies in the National Planning Policy Framework and other statements of national planning policy, including this one'.*

Deleting the policy and aligning the Council's requirement for carbon neutral development with those of Government would therefore be pragmatic, more achievable and consistent with national policy.

### **Recommendation:**

The draft policy should not be amended and the council should not consider setting local standards.

## **Policy S2 Conservation and Enhancement of the Natural Environment**

We note that Policy S2 seeks at least 10% Biodiversity net gain, however the Council is questioning whether they should be beyond the statutory minimum 10% in line with Kent County Council Guidance. The Council should not set a higher biodiversity net gain (BNG) requirement for development than the 10% stipulated in the Environment Act 2021. Requiring BNG above 10% does not meet the tests for planning obligations set out in paragraph 57 of the NPPF which requires them to be 'necessary to make the development acceptable in planning terms'; and 'fairly and reasonably related in scale and kind to the development' (para 57, NPPF).

The Council should also note that the recently finalised Planning Policy Guidance on Biodiversity Net Gain at paragraph: 006 Reference ID: 74-006-20240214 confirms that '*Plan-makers should not seek a higher percentage than the statutory objective of 10% biodiversity net gain, either on an area-wide basis or for specific allocations for development unless justified. To justify such policies, they will need to be evidenced including as to local need for a higher percentage, local opportunities for a higher percentage and any impacts on viability for development. Consideration will also need to be given to how the policy will be implemented*'. Therefore a 10% requirement should be maintained in order to ensure that the requirement is 'fairly and reasonably related in scale and kind to the development' (para 57, NPPF) and consistent with national policy guidance.

The Council should also reconsider the additional wording it proposes with regard to BNG to ensure the policy is in line with the guidance and statutory instruments that the government have recently updated / published regarding statutory Biodiversity Net Gain and not too onerous. The Council should then amend the draft plan so that it is consistent with any updated guidance and regulations.

Although we recognise that the 10% is a minimum it should be for the developer to decide whether to go beyond this figure not the Council. It is important to remember that that it is impossible to know what the cost of delivering net gain is until the base level of biodiversity on a site is known and consequently what is required to achieve a 10% net gain. On some sites this may be achievable on site with no reduction in developable area, for others it may require a large proportion of it to be addressed offsite or it may result in a significant reduction in the developable area – a far more expensive option that could render a site unviable without a reduction in other policy requirements.

The council should therefore not require a BNG of greater than the 10%.

## **Recommendation**

For the policy to be consistent with national policy and legislation the Council should:

- **Maintain only seeking a minimum of 10% Biodiversity Net Gain**
- **Reconsider the additional policy wording to ensure it is consistent with recently published legislation and planning guidance.**

## **Policy T1: Promoting High Quality Design**

We note that the last paragraph of the policy states that 'The Council would expect compliance with the principles of nationally recognised standards and Building Regulations (M4), so far as practicable, across all proposed new developments.' However, para 16 d of the NPPF requires plans to 'contain policies that are clearly written and unambiguous, so it is evident how a decision maker should react to development proposals.' Paragraph: 009 Reference ID: 63-009-20190626 of the PPG on Housing for older and disabled people identifies that where an identified need exists, plans are expected to use the optional technical housing standards to help bring forward accessible housing'. This paragraph refers to the building regulations and splits this out into 3 categories of part M4. To note M4 (3) is then split into further subsections. Each category of part M4 has different associated requirements and costs, and therefore it is not clear, is ambiguous, and should be amended to clarify what is required from the policy. It should also be noted that the PPG requires 'Planning policies for accessible housing need to be based on evidence of need, viability and a consideration of site-specific factors.' Currently evidence of viability has not been undertaken and the requirement should therefore be deleted unless further evidence is published.

Thank you for the opportunity for comment.

Yours faithfully



Jane Vlach  
Group Planning Associate

planning  
transport  
design  
environment  
infrastructure  
land

# **Medway Council Regulation 18b Consultation Response**

**Land south of Buckland Road, Cliffe Woods**

**LAA SITE REF:** SR7

**CALL FOR SITES FORM SUBMISSION ID:** 266

**CALL FOR SITES RESPONDENT ID:** 406

**REGULATION 18b CONSULTATION ID:** 2742

**CLIENT:** REDROW HOMES SOUTH EAST

SEPTEMBER 2024  
DHA/16850



# CONTENTS

**1 LAND SOUTH OF BUCKLAND ROAD, CLIFFE WOODS ..... 3**

1.1 SUMMARY ..... 3

1.2 SECTION 2.1 VISION FOR MEDWAY 2041..... 3

1.3 SECTION 2.2 STRATEGIC OBJECTIVES ..... 4

1.4 SECTION 2.3 SPATIAL DEVELOPMENT STRATEGY..... 5

1.5 SECTION 3.2 PREFERRED SPATIAL GROWTH OPTION ..... 5

1.6 POLICIES MAP – NORTH WEST ..... 6

1.7 OVERALL SUMMARY ..... 6

# 1 LAND SOUTH OF BUCKLAND ROAD, CLIFFE WOODS

## 1.1 SUMMARY

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- 1.1.1 This representation has been prepared on behalf of our client, Redrow Homes South East, in respect of the ongoing Medway Council Regulation 18b Consultation ('Medway Local Plan 2041') and with specific reference to Land south of Buckland Road, Cliffe Woods.
- 1.1.2 The current consultation builds on the responses to the consultation 'Setting the Direction for Medway 2040' in Autumn 2023 (i.e. Regulation 18a), in defining the vision and strategic objectives for the new Local Plan. The current consultation provides more information on proposed policies and options for a development strategy, including the potential sites and broad locations that could form allocations for development in the new Local Plan covering the period up to 2041.
- 1.1.3 The land which is the subject of this response is also the subject of a live planning application (MC/23/0531) which seeks full planning permission for the construction of 45 dwellings (including 25% affordable units) together with access, public open space, landscaping and associated works.
- 1.1.4 Representations have previously been prepared in respect of this site for the Regulation 18a consultation in 2023, and the earlier call for sites submissions. The land south of Buckland Road, Cliffe Woods site is identified as a proposed allocation in the Regulation 18b version of the Plan as part of the 'blended regeneration' strategy for growth, and the inclusion of the site in that respect is supported through this representation.
- 1.1.5 The comments made on Regulation 18B version of the plan deal directly with the inclusion of the site in question, whilst including some general points about the approach the plan takes to delivering housing.

## 1.2 SECTION 2.1 VISION FOR MEDWAY 2041

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- 1.2.1 As a general comment we consider that as currently worded the "Vision" does not identify the provision of housing as an important component of the Plan as set out in the vision under paragraph 2.1.1 of the consultation document.
- 1.2.2 The vision focuses on the employment needs and the existing employment as being the main drivers behind the vision, particularly directing employment opportunities to Kingsnorth and the Isle of Grain on the Hoo peninsula. Whilst this is a central part of Medway's vision, it does not justify the specific lack of reference to housing. Delivering an authority's housing need is a central component of any Local Plan and a determinative matter for the spatial strategy.

- 1.2.3 In not expressing the amount of development that is to be delivered in relation to housing and new employment, the Plan also fails to be positively prepared to provide a suitable framework for addressing housing and employment needs. The "Vision" should be amended to reference housing and employment provisions.
- 1.2.4 The Interim Sustainability Appraisal sets out in Table 5.1 the proposed growth options for Medway, of which Strategic Growth Option 3(SGO A3), the Blended Strategy, is the Council's preferred approach which sets out that Medway can deliver up to 23,733 homes across the plan period. This is 4,267 homes under the need of around 28,000 homes set out in the executive summary of the regulation 18b consultation document and 4,579 dwellings below the previously anticipated in the previous Regulation 18a consultation document.
- 1.2.5 Based on the evidence provided, we do not feel there is justification for the plan to not provide for the full assessed need.

### 1.3 SECTION 2.2 STRATEGIC OBJECTIVES

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#### *Prepared for a sustainable and green future*

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- 1.3.1 Notably, no strategic objective deals expressly with the amount of housing that needs to be delivered. In the absence of clearly setting out what the housing requirement is and whether the Plan is looking to meet Medway's needs (which it should), the process of using the currently drafted objectives to inform the Council's assessment of different sites and locations for development cannot be considered as "Positively Prepared" or "Justified", contrary to the NPPF (para 35).

#### *Supporting people to lead healthy lives and strengthening our communities*

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- 1.3.2 Whilst it is acknowledged that, in general terms, the objective of "Supporting People to Lead Healthy Lives and Strengthening Our Communities" mentions housing generally, it does not set out how much housing will be provided. This is a determining factor in deciding what is the most appropriate spatial strategy is and should inform the basis of future strategic policies, as required by the NPPF (para 20 and 23).
- 1.3.3 We submit that the Council should seek to meet their needs in full and therefore we consider that there should be clarity provided in this strategic objective as to the housing requirement across the plan period and to demonstrate that the plan is positively prepared and justified in accordance with paragraph 35 of the NPPF.

#### *Securing jobs and developing skills for a competitive economy*

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- 1.3.4 The principles of the strategic objectives are supported. However, the lack of clarity in housing and employment growth in numerical forms required to meet

local needs across the plan period must be expressed as an objective since many of the other objectives are dependent on the delivery of housing, including the ambitions for improved employment floorspace and higher-value employment opportunities, which are also reliant on providing enough housing.

#### **1.4 SECTION 2.3 SPATIAL DEVELOPMENT STRATEGY**

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- 1.4.1 Given the nature of the housing need, it is considered that a blended strategy will need to include additional sites than those already indicatively allocated as 'suburban expansion' and 'greenfield sites' in order to realise the objective to meet the objectively assessed need in full as set out in the national policy.
- 1.4.2 It is highlighted that the 'suburban expansion' and 'greenfield sites' such as the site at Cliffe Woods will be available and deliverable in the earlier years of the plan period with brownfield sites generally coming forward in the latter years of the Plan Period as they can have additional constraints affecting deliverability, such as existing uses and remediation. In that respect the blended strategy is an appropriate approach to deliver the growth required across the plan period whilst balancing the use of greenfield and brownfield land.
- 1.4.3 The growing need for both market and affordable housing emphasises the need for the Council to plan to meet its full objectively assessed need, as required by the NPPF (para 11b and para 23), supporting the Government's objectives to significantly boost the supply of homes (NPPF, para 60).
- 1.4.4 The Council should also work with Gravesham Borough Council to determine if it needs to and/or can accommodate any of its needs (up to 2,000 homes) to ensure the Plan is "Positively Prepared" (NPPF, para 35).

#### **1.5 SECTION 3.2 PREFERRED SPATIAL GROWTH OPTION**

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- 1.5.1 Our client supports SGO 3 (Blended Strategy) as it is considered to be an appropriate and balanced growth strategy and one which seeks to deliver the submitted allocated site at Cliffe Woods; a site which is submitted to be available and deliverable for development early within the plan period, as demonstrated by the current live planning application.
- 1.5.2 However, this growth option does not deliver the 28,000 homes required to fully meet the district's housing needs. The Council needs to allocate additional sites across the district to deliver the additional 4,267 dwellings across the plan period to fully meet their needs in accordance with para 23 of the NPPF.



## 1.6 POLICIES MAP – NORTH WEST

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- 1.6.1 We note the inclusion of site SR7 on the North West section of the Policies Map, which is the site to which this representation relates. We support the inclusion of that site as an indicative preferred 'resi led' site for development. As set out in this representation, and as fully explained in the live planning application, the site in question is considered to be logically and appropriately located to deliver residential development, given that the site is contained by existing development to the south, and would therefore form a natural and logical addition to the built environment. The proposal site can bring forward residential development in a sustainable location, on a site which is available and deliverable for development.

## 1.7 OVERALL SUMMARY

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- 1.7.1 The site to the south of Buckland Road, Cliffe Woods is capable of delivering some 45 residential units to help meet the housing needs of Medway Council in a sustainable and suitable location, and would form a natural and logical addition to the built environment, given that the site is contained by existing development to the south. As a greenfield site, the land to the south of Buckland Road, Cliffe Woods would be able to deliver housing early in the plan period, with its availability and suitability for development evidenced by the current live planning application which has been made by a national housebuilder.
- 1.7.2 Our client therefore supports SGO 3 (Blended Strategy) as it is considered to reflect the most appropriate approach to delivering growth within the district, including the development of sites such as the land to the south of Buckland Road, Cliffe Woods.
- 1.7.3 The Council's preferred approach, the Blended Strategy, sets out that Medway can deliver up to 23,733 homes across the plan period. This is 4,267 homes under the need of around 28,000 homes set out in the executive summary of the regulation 18b consultation document and 4,579 dwellings below the previously anticipated in the previous Regulation 18a consultation document.
- 1.7.4 This growth option does not fully deliver the homes required to meet the Council's housing needs, and therefore the Council needs to retain draft allocations such as the Cliffe Woods site as well as allocating additional sites across the district to deliver the additional dwellings across the plan period to fully meet their needs in accordance with para 23 of the NPPF.

**Medway Local Plan 2025 – 2041**

**Regulation 18 Consultation**

**Reponses to Local Plan Consultation by Terance  
Butler Holdings**

**September 2024**



## **1. Introduction**

- 1.1 Terance Butler Holdings is a private property investment and development company who have operated in Medway for over 20 years and have a strong track record of delivery of industrial, commercial and residential schemes, providing economic, social and environmental benefits as a result.
- 1.2 We operate throughout Medway as landowner, landlord and developer and continue to invest in the area. We consider the adoption of a Local Plan to be fundamental to future growth and investment in Medway and also to provide stability and security in investment choices and commercial decision making.
- 1.3 The Council needs to be innovative and forward thinking to attract investment, whilst ensuring that policies are suitably flexible to accommodate variations and respond to changes in market sectors which are subject to nuances and external economic fluctuations.
- 1.4 Policies which are too restrictive or inflexible will deter investment and could result in missed opportunities, which could have lasting impacts on the local economy and social and environmental objectives.
- 1.5 Some of the comments relate to generic matters and others are site specific. Not all are in agreement with the Council's objectives, but they are intended to be constructive to ensure that the emerging Local Plan will be progressed to adoption.
- 1.6 The Council needs to deliver a development plan document that is robust but which is also adaptable to variable economic conditions and circumstances that have significant and direct implications for investors and developers.

## **2.0 Summary of Responses**

- 2.1 We **support** the "Blended Strategy" encouraging a brownfield first approach to development and regeneration.
- 2.2 We **support** the Council's aspiration to meet its housing need but believe that additional sites will need to be considered.
- 2.3 We believe that the objectives of the Regulation 18 are admirable but further detail on policies, site allocations and supporting evidence is necessary to ensure the document is sufficiently robust to be taken through the rigorous scrutiny at Examination.

- 2.4 We consider that more detail and assessment of the submitted sites is required to provide a more robust assessment of future allocations and, hence strategy is required.
- 2.5 The timeframe to adoption of the local plan requires to be considered to ensure a 15-year plan period.
- 2.6 We **support** the early inclusion of sites as development opportunities which we submitted as part of the Call for Sites:
- SR34 – Riverside House, Sir Thomas Longley Road, Rochester
  - SR36 – Land to the east of Anthony’s Way, Rochester
  - SR38 – Land on the east side of Neptune Close, Rochester
- 2.7 We request the further consideration of land within our ownership to the south of Vanguard Way and adjacent to Whitewall Creek (see below) for employment, commercial, retail or renewable energy use.

### **3.0 Responses to Consultation**

- 3.1 Notwithstanding historic residential delivery in Medway, the requirement for a further 28,000 dwellings over the plan period is going to be challenging. The Council’s aspiration to meet their housing need is supported and the scale of growth anticipated is significant. The allocation of sufficient sites to meet this need is a prerequisite and the Council needs to work with the development sector to ensure that a range of housing types and tenures is delivered across the authority’s established settlements to provide choice for existing residents and future residents.
- 3.2 The Regulation 18 document provides an over-arching strategy to deliver the required housing numbers but is light on the detail of policy, site allocation details and associated infrastructure requirements and delivery mechanisms.
- 3.3 The “Blended Strategy” recognises, supports and promotes the development of brownfield/previously developed land first whilst acknowledging the need for some greenfield development in and around established settlements.
- 3.4 Whilst a number of sites have been potentially identified for further consideration, based on high level capacity, detailed assessment has not been undertaken to acknowledge, for example, the requirements to achieve 10% BNG onsite or delivery of affordable housing and importantly for previously developed land – viability.
- 3.5 Further work is required to be undertaken by the Council on the supporting evidence base to ensure that the submission plan is robust to ensure a smooth

journey or it will be severely challenged at Examination with implications for further delay or indeed the plan not being found sound.

- 3.6 The Interim Sustainability Appraisal is light on detail. Whilst we support the potential inclusion of land parcels in our ownership which were submitted to the Call for Sites, the Council needs to i) prepare a suitable assessment of sites, based on appropriate criteria and ii) work with developers/landowners to ensure the delivery of the identified sites to meet the housing needs.
- 3.7 Similarly, for the local plan to progress smoothly, clear guidance on associated infrastructure delivery is needed to provide comfort to communities where new development is proposed and to inform developers so that these requirements can be factored into commercial and financial decisions relating to development sites.
- 3.8 The recent change in National Government, the subsequent announcements relating to the prioritising of housing delivery and the consultation on the NPPF confirm the focus on the review of the planning system and the anticipated direction of travel. Coupled with the new administration at Medway Council, it is hugely important to progress the local plan to adoption, particularly as the current development plan is historic and out of date.

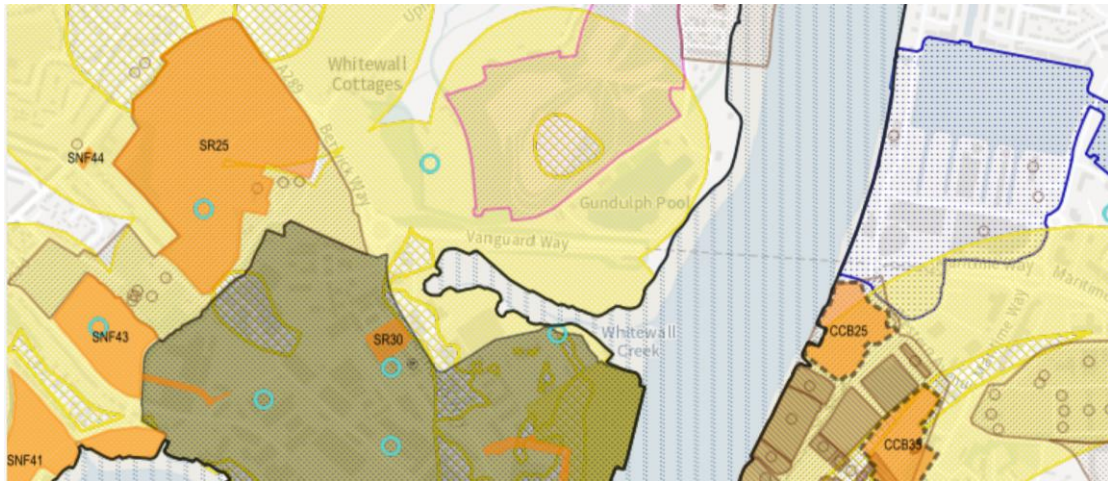
#### **4.0 Call for Sites**

- 4.1 We submitted several land parcels in our ownership to the Call for Sites and a number of these have been identified, at this stage, as potential allocations for a range of uses.
- 4.2 Whilst we support the inclusion of these sites, it is important that the Council work with the developer/landowner to ensure that development is appropriate, is deliverable within indicative timescales over the plan period and will deliver development which is of a suitable scale, density and quality in terms of construction, public realm and environmental objectives.
- 4.3 We have assessed the sites in greater detail to establish the extent of development that is achievable, taking into account the site constraints. Further engagement with the Council is welcomed at an early stage to confirm our commitment to development and delivery within the timeframes of the plan period.
- 4.4 We support the early inclusion of land parcels which we previously submitted to the Call for Sites. These sites have potential to deliver development opportunities within the plan period in accordance with the Council's initial assessment:
  - SR34 – Riverside House, Sir Thomas Longley Road, Rochester for residential led development

- SR36 – Land to the east of Anthony’s Way, Rochester for residential led (mixed-use) development
- SR38 – Land on the east side of Neptune Close, Rochester for residential led (mixed-use) development

4.5 SR36 is currently a waste transfer/recycling facility operated by Viridor. The land is subject to an extant planning permission (ME/98/0469/MR) and separate EA/River Authority Licences. The permission covers a wider area than is shown on the initial allocation, extending into the River Medway and permitted for further land reclamation. We are currently in discussion with Medway Council (Drainage) and EA to finalise the details of undertaking this land reclamation under the terms of the extant permission

4.7 In addition, we request that the Council reconsider additional land to the south of Vanguard Way and bounding Whitewall Creek in our ownership that could be developed, *inter alia*, for a range of uses including commercial, retail, hotel or renewable energy generation.



- 4.8 Development Management policies need to be suitably flexible to address site requirements and respond to development proposals on brownfield/previously developed land. In particular, BNG requirements have been introduced after the Call for Sites exercise was undertaken. Whilst the principles and objectives of BNG are fully understood, it is safe to say that there are clear “teething problems” with the BNG process, presenting challenges to developers and Councils in terms of interpretation, delivery and consideration of on-site implementation which affects layout/site capacity, or use of off-site credits which significantly impacts on viability. The Council’s policies must be suitably flexible to take account of the greater constraints and challenges that developers of brownfield/previously developed land face and must respond accordingly when development proposals are being considered.

## 5.0 Local Plan Timeframes

- 5.1 The plan period is defined as being 2025 – 2041 which is 16 years.
- 5.2 Paragraph 22 of the NPPF (December 2023) and retained in the current consultation version, introduced by the new Government requires strategic policies to reflect a minimum of 15 years from adoption. This requirement will place pressure on the Council to achieve an adopted local plan in 16 months. Based on past experience and external circumstances in relation to the planning system, which are outside of the control of Medway Council, whilst this target may be aspirational, it has to be realistic.
- 5.3 There are still a significant number of strategic matters to be considered and resolved, in particular infrastructure and finalisation of development allocations for residential and employment targets.
- 5.4 Whilst the direction of travel at a national level is becoming more apparent and the wider planning system and process is now much higher priority on the

Government's agenda, there may well be further fundamental changes which will affect plan-making and decision making at the local level. Uncertainty about the Government's final details regarding changes to the planning system inevitably will lead possible challenge and hence delay.

- 5.5 We understand the urgency and need to work towards the adoption of the local plan in light of the age of the historic local plan, noting that Medway Council still has to complete additional evidence base work to support the emerging local plan, but also need to be conscious that there may be slippage in the process. Accordingly, the LDS must reflect the requirement of NPPF paragraph 22 to ensure that at the point of adoption the plan period extends to a minimum of 15 years.
- 5.6 Any extension to the plan period to reflect an alteration to the LDS will require to reflect a commensurate alteration to the housing need figures.

## **6.0 Other responses**

- 6.1 Affordable Housing – there needs to be flexibility in the approach to delivery of affordable housing and policy needs to reflect the individual circumstances of each site. A rigid approach could result in developments not progressing, which will undermine the Council's objectives and affect housing delivery. Accordingly, there should be flexibility in the policy to allow various forms of affordable housing, tenure and mix in line with the NPPF definition.
- 6.2 Viability – the current viability assessment comprises the previous 2021 version – this needs to be relevant and updated.
- 6.3 Infrastructure Delivery Plan – this needs to be prepared/completed as part of the evidence base to inform developers/landowners of costs and requirements.



[REDACTED]  
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Ref: 096-003  
[REDACTED]

8 September 2024  
[REDACTED]

## Medway Local Plan 2041 – Regulation 18 Consultation Response

### Peel Waters

We write to set out comments on behalf of Peel Waters to the Council's latest Regulation 18 draft of the Medway Local Plan 2041. Peel Waters has extensive land interests in Medway, including the Chatham Docks Industrial Estate (CDIE), Chatham Waters and the former railway line that runs between Chatham Waters and Gillingham town centre.

We submitted representations to the previous Regulation 18 draft in October 2023, through which we set out Peel Waters' vision to regenerate the land in its control to *'transform this under-utilised brownfield land into a new high quality and vibrant place that connects existing communities and attracts new businesses and delivers homes for the future.'*

Through these representations, we seek to supplement the information previously submitted. Furthermore, over the past 10 months, the Council has resolved to approve Peel Waters' application for Basin3, a new business campus which includes up to 31,000m<sup>2</sup> of employment space, along with over half a kilometre of new waterfront pedestrian and cycle routes. Development has also continued at Chatham Waters, including completion of 237 affordable homes for shared ownership and rent at local housing allowance levels.

Overall, Peel Waters is very **supportive** of the Council's preferred option for blended regeneration as set out in the draft Local Plan, although we do have various detailed comments and reserve our position to comment further on the Plan's next stages.

We set out our comments below cross referenced against the relevant draft policies, supporting text and relevant questions posed in the Plan, starting with some detailed points we have on the draft proposals map and interactive plans.

## Policies map – southeast

### Proposed land allocation SM16

The majority of land in Peel Waters' control is identified on the draft policies map as SM16 which is an '*Indicative Preferred Site – Resi-led.*'

Peel supports the proposed allocation but questions the need for the reference to it being '*Resi-led*' as a mix of uses will be delivered. Indeed, of the land at CDIE, it is anticipated that Basin3 – an employment scheme – will be delivered first. The allocation also encompasses Chatham Waters, the early phases of which were retail and education led. Significant residential development has been delivered since and this will continue at Chatham Waters and on part of the land CDIE, but this will be alongside a balanced mix of uses that will create a sustainable new community. Our preference would therefore be for the land to be identified as a strategic allocation, with detailed wording then setting out detail in relation to specific uses.

In terms of the development proposed, Peel Waters has identified the potential for an additional 500 residential units on the waterfront at Chatham Waters, over and above the original outline permission.

On the remainder of the proposed site allocation, which currently forms the CDIE, mixed-use development is proposed comprising up to 31,000m<sup>2</sup> of flexible business space that the Council has granted resolution to approve, along with potential for an additional 2,500 residential units and including a broader mix of suitable complementary uses including restaurants, bars, local retail, care provision and hotel.

### Waste Management Facilities

Within the proposed site allocation area there are four '*Waste Management Facilities*' identified. These are existing facilities but form no part of future proposals for regeneration of the site and are not compatible with new high quality residential development. We therefore request that they are removed from this plan which is identifying land for future use and development.

These facilities should also be removed from the 'safeguarded waste sites' listed at Appendix C of the Local Plan as their retention would conflict with the proposed allocation of the CDIE for mixed use development.

### Chatham Waters Line

The former dock rail line is identified in the map key as the '*Chatham Waters Line*' underneath the heading '*Transport.*' Peel Waters and Medway Council have previously applied for levelling up funding to help deliver this important pedestrian and cycle link and we consider it worth clarifying the nature of the proposed link (which is not for a new rail or bus line).

Much of the line is in a cutting that presents a physical barrier between existing communities on the east and west side and so the proposal includes the potential to infill the cutting to introduce new east to west pedestrian links joining up these communities which include some of the more deprived parts of the Borough with only limited access to green space.

The proposed new pedestrian and cycle link along the line will introduce a new green connection between North Gillingham and the town centre. As the proposals for the regeneration of CDIE also include new links to St Mary's Island and Colonial Wharf, these areas will benefit from reuse of the former railway line, along with students and staff of the adjacent Medway universities and residents of the growing and proposed communities at Chatham Waters and CDIE.

## Reg 18 Draft Plan – specific points

### Paragraph 2.1.1 - Vision

Peel Waters **supports** the Council's vision for Medway and considers that the continued investment and proposed regeneration at site allocation SMI6 is closely aligned with and critical to help the Council achieve that vision through the Local Plan.

Development at SMI6 is critical to help meet Medway's future employment and housing needs and can be achieved whilst introducing appropriate flood defences to address climate change. The regeneration of this site will raise public awareness of the historic past of the naval docks and introduce significant new public realm and waterfront access along the river for the first time ever.

New public space and healthy connections will be critical components for future employees and residents of the site that will also benefit existing surrounding

communities, businesses and universities that clearly align with the vision, helping create a thriving economy, where residents can enjoy a good quality of life and a healthy place in which to live and work.

### Paragraph 2.2.1 - Strategic objectives

Peel Waters **supports** the proposed strategic objectives and believes that the regeneration proposed through site SM16 is critical to help the Council achieve these objectives in the various ways set out in our submission in October 2023.

It is promoting a major new employment development at Basin3 that will help drive economic growth and attract new investment, helping raise skills levels in a location that will capitalise on its position beside the cluster of further education providers.

The proposed regeneration at CDIE has been promoted through various Calls for Sites over the last 15+ years and so existing tenants have had considerable time to identify alternative locations for when the commercial dock and related Victorian infrastructure is decommissioned over the next few years. Indeed, some of the largest occupiers are investing in new facilities to relocate to.

### Paragraph 2.3 Spatial Development Strategy

Peel Waters **supports** the objectives of the spatial development strategy, including the important focus on regeneration of waterfront sites which will help facilitate and consolidate links including along the River Medway and between St Mary's Island and Gillingham town centre.

### Paragraph 3.1 - Spatial Growth Options

Peel Waters **supports** the development focus on brownfield sites in locations that benefit from good transport links and accessible locations, aligned to SGO1 (Urban Focus) and SGO3 (Blended Strategy) options. The pressing need to deliver more homes requires multiple site types, locations and outlets, and this is better reflected in the blended strategy set out in SGO3.

The redevelopment of CDIE can deliver a range of housing types and tenures, including family homes through town houses adjacent to the existing community at St Mary's Island along with higher density development including taller apartment buildings benefiting from the river views.

The intention is to continue with future phases of new homes as already successfully delivered at Chatham Waters, which has included medium to high density apartments for private rent and sale along with new affordable homes.

A mix of densities are proposed to make most efficient use of this brownfield land including introduction of taller buildings in line with the proposed masterplan, that will be refined and updated as the Local Plan reaches examination stage to ensure key site constraints and opportunities are appropriately addressed to demonstrate how the Site can be delivered over the Plan period and beyond.

### **Policy S1 – planning for climate change**

The redevelopment of CDIE will facilitate place making in the right location that will help mitigate and adapt to the impacts of climate change aligned with this draft policy.

In response to Question 1, Peel Waters advocates alignment with national policy and guidance as any local standards set above these will likely make it more difficult and / or slower to deliver regeneration and growth, contrary to the Government's clear intention to accelerate and get Britain building.

For the same reasons, in response to Question 2, we consider that the national requirement for securing at least a minimum 10% biodiversity net gain should also be applied in Medway.

In response to Question 3, and the proposed tariff-based approach applied to development within 6km of the designated areas, supporting delivering of the SAMMS programme, we would request clarification on how this would be applied to redevelopment of large swathes of previously developed land. Any tariff would need to be considered as a part of the overall project viability for redevelopment and the potential that might exist to introduce measures on site to enhance habitats and mitigate potential impact on the designated SPA and Ramsar habitats.

### **Policy S5 – securing strong green and blue infrastructure**

Peel Waters recognises the importance of introducing strong green and blue infrastructure corridors and maintains that the proposed regeneration across site allocation SM16 will have a significant positive effect.

In answer to Question 6, the draft Medway green and blue infrastructure framework should identify and make more of the potential new pedestrian and cycle links proposed around Basin 3 and along the riverfront at CDIE (providing public access for the first time ever).

In terms of blue infrastructure, the Council's draft Green and Blue Infrastructure Framework recognises the importance of the River Medway and identifies the dockyard basins used for watersports and a marina. The regeneration and further development of Chatham Waters and CDIE presents a significant opportunity to

enhance the use of Basin 3 for wider public benefit that should be acknowledged in the draft Plan.

### Policy T2 Housing Mix

The proposal is to accommodate a range of housing types, tenures and densities, with the opportunity for medium density town houses and apartments through to high density apartment development along the waterfront. Applying similar rates of delivery to that being achieved at Chatham Waters over the last six years, the table at **Appendix 1** provides a trajectory of anticipated delivery for SMI6 over the Plan period.

### Policy T3 Affordable Housing

We note the Council recognises (paragraph 6.2.3) that there is a pressing need for all forms of housing in Medway, including market and affordable homes. Peel Waters **supports** the setting of a different affordable housing requirement on brownfield sites, compared to more viable greenfield sites.

However, as set out in Cushman & Wakefield's comments on the 2021 HDH Local plan Viability Assessment (see **Appendix 2**) Peel Waters reserves its position to comment on whether the proposed 10% affordable housing is set at the correct level once the outcome of HDH's updated appraisal is available. More generally, we would welcome the opportunity to engage further with HDH and the Council ahead of the next draft of the Plan.

It is important to deliver homes across all tenures throughout the plan period if the Council is to meet its housing requirement and the regeneration of large brownfield sites clearly need to be viable if they are to deliver on the objectives of the Plan.

The Plan should therefore allow for enough flexibility to ensure that the ability to deliver affordable housing is considered alongside other delivery costs including essential infrastructure (flood defences etc) and other planning obligations, which should be considered on a case by case basis to ensure development is viable and deliverable.

In response to Question 12, for reasons of viability and because the position may well change over the plan period, it is important to retain flexibility and not be too prescriptive in terms of tenure split of affordable homes.

### Policy S10 Economic Strategy

Peel Waters generally **supports** the economic strategy but considers the policy should more explicitly acknowledge that the release of employment land in some locations will be required to deliver the wider plan objectives.

Through its Basin3 application, Peel Waters is committed to strengthen the employment offer at CDIE to secure its long-term future, evolving away from its previous reliance on heavy industry and warehousing, so it is able to help strengthen the performance of the economy, securing quality jobs, capitalising on the further and higher education offer [paragraph 7.1.5].

The site benefits from a riverside setting, lying between two growing residential communities and immediately adjacent to the Universities.

These are unique features that represent a tremendous opportunity for employment led regeneration to help meet the future needs of Medway in a sustainable location whilst celebrating its naval past, building on this pride in place and heritage to inspire communities and drive regeneration [paragraph 7.8.2].

### **Policy S11 Existing Employment Provision**

This policy should clarify that it does not apply where an employment site is part of an allocation in the Plan for alternative uses.

7.4.4 should clarify that existing employment sites will be retained where appropriate [rather than where possible].

### **Policy T16 Ancillary Development (and Question 16)**

The policy should clarify that ancillary main town centre uses (including local retail, leisure, office, restaurants and bars) should be deemed appropriate as a part of the proposed strategic regeneration of Chatham Waters and CDIE, which is proposing an additional 3,000 new homes and has the potential to evolve into a visitor and leisure destination attracting tourism.

### **Policy S19 Gillingham District Centre**

Paragraph 8.9.2 identifies that the centre is tightly surrounded by a dense residential area and captures trade from this local catchment area. The proposed green pedestrian and cycle link utilising the former dock rail line promoted by Peel Waters represents a strategic opportunity that would significantly enhance pedestrian and cycle access from the residential population to the immediate north of Gillingham and from St Mary's Island. This could significantly boost local expenditure in the district centre and this opportunity should be recognised and supported in the policy.

### Policy DM12 Local and Rural Centres

Peel Waters' supports the principle of a new local centre being identified within strategic site SMI6, to support the anticipated growth, and is keen to further engage with the Council on the nature and location of any such centre as the masterplan evolves.

### Policy DM15 Monitoring and Managing Development (Transport)

Significant investment has already delivered the new Pier Road junction into the Chatham Waters site, which was designed to accommodate the wider strategic regeneration of site SMI6. No significant further work to adopted highways is therefore anticipated to facilitate the delivery of this site.

### Policy DM18 Transport Assessments

We propose an amendment to the wording of the second paragraph of the draft policy, so it more accurately reflects the required tests set out in the National Planning Policy Framework, through the introduction of the words underlined below, so it reads:

*'The requirement for a Transport Assessment or Transport Statement will need to be agreed with National Highways for development proposals that impact on the SRN. National Highways, in conjunction with the Council as local highway authority, will agree the scope of the Transport Assessment or Transport Statement at an early stage. In accordance with the tests set out in the National Planning Policy Framework, National Highways will need to be satisfied that development proposals will not materially affect the safety, reliability and / or operation of the SRN.'*

### Policy T20 Riverside Path

Peel Waters **supports** this policy and proposes to introduce a new riverside path through the regeneration of site SMI6, opening up this existing gap in the riverside path for public access the first time ever.

### Policy DM16 Chatham Waters Line

Peel Waters **supports** this policy.

### Policy T24 Urban Logistics

This policy wording should clarify that the policy should not apply to sites allocated for alternative development in the Local Plan.



### Policy DM20 Cycle Parking and Storage

The policy wording relating to cycle stores in flatted development and commercial uses as drafted is too prescriptive and should be simplified to reference that cycle storage should be provided in 'secure locations' to provide greater flexibility.

### Policy DM21 New Open Space and Playing Pitches

With increased housing densities required to deliver housing at scale and to meet the objectively assessed requirement, delivery of open space at the proposed standards will become impossible to achieve and greater emphasis should therefore be placed on the importance of access to existing open space and introduction of more multi-functional open spaces in higher density urban areas of regeneration.

### Policy S24 Infrastructure Delivery

We reserve our right to comment once we have had sight of the Infrastructure Delivery Plan. Any planning obligations clearly need to be necessary, relevant and reasonable.

### Policy T34 Safeguarding Existing Waste Management Facilities

The wording should clarify that existing waste facilities on land allocated for alternative development will not be safe guarded.

## Sustainability Appraisal

Peel Waters agrees with the conclusion of the Sustainability Appraisal that underpins the Regulation 18 Plan and is supportive of the preferred 'blended strategy'. We do have some queries around how the rankings have been applied to the proposed strategic developments against the Sustainability Appraisal (SA) objectives but consider these can be clarified through future engagement ahead of Examination of the Plan.

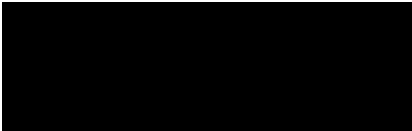
## Viability Appraisal

Our comments on the viability appraisal have been prepared by Cushman & Wakefield and are attached at **Appendix 2**.

We look forward to discussing our submissions with the Council as the Plan progresses through to the next stage and if you have any queries, please do not hesitate to contact us.

Kind regards

Yours sincerely,



Bill Davidson  
Director

**cc:** Peel Waters

**enc:** Appendix 1 – Anticipated delivery trajectory  
Appendix 2 – Cushman & Wakefield comments on HDH 2021 Viability  
Assessment

## Chatham Docks - Anticipated timetable for delivery



	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	Total in plan period	Beyond plan period	Total site delivery
Local Plan consultation																						
Local Plan examination - Inspectors Report																						
Local Plan adoption																						
Basin3 employment permission																						
Basin3 reserved matters, condition discharge and site prep																						
Basin3 anticipated delivery trajectory																						
Submit and secure residential planning permissions																						
Vacant possession of site																						
Condition discharge / implement consent																						
Infrastructure works / flood defence etc																						
Earliest delivery of CDIE residential development																						
CDIE Central Area (low/mid density)							75	75	75	75	75	75	75	75						600		600
CDIE Waterfront (mid/high density)									275		275		275		275		275		275	1650	250	1900
Chatham Waters						100	200	200												500		500
<b>Total new homes</b>						100	275	275	350	75	350	75	350	75	275	0	275	0	275	<b>2750</b>	<b>250</b>	<b>3000</b>

Note: % of affordable homes to be delivered in accordance with policy requirement subject to viability

CDIE: Chatham Docks Industrial Estate

Planning Policy  
Medway Council  
Gun Wharf  
Dock Road  
Chatham  
Kent  
ME4 4TR

4 September 2024

Dear Sir/Madam,

**Medway Local Plan Regulation 18 Consultation – Local Plan Viability Assessment – Consultation Representations – Summary Statement (September 2024)**

Cushman & Wakefield ('C&W') has been instructed by Peel L&P Developments Ltd ('Peel') to provide an initial response to the consultation on the Medway Council Local Plan Viability Assessment ('LPVA') prepared by HDH Planning and Development Ltd ('HDH') dated December 2021.

The focus of this initial viability representation is the viability of the Chatham Docks Strategic Site ('CDSS') identified in the 2021 LPVA. We understand that CDSS is intended to be broadly representative of site allocation SM16 ('the site') in the emerging Local Plan. The site is being promoted by Peel who have an ambitious and sustainable vision for the regeneration of the site which will deliver transformational change in this location, and will make a key contribution towards meeting Medway's housing and employment needs on a major brownfield site in the district. The proposed development comprises significant residential and employment uses, new community facilities and green infrastructure in addition to other strategic infrastructure improvements. A fuller description of the development proposals is provided in Peel's previous Regulation 18 representation (October 2023) prepared by P4 Planning.

**Background**

By way of background, in November 2019 C&W submitted an initial representation on behalf of Peel to the Medway Council LPVA pre-consultation draft prepared by HDH in 2019. This initial representation is attached at Appendix 1.

Our comments in the initial 2019 representation largely related to the assumptions proposed for the generic area-wide viability testing of the notional typologies as there was no site-specific viability assessment ('SSVA') available for CDSS (or any other sites) in the pre-consultation draft LPVA. Within our initial submission, we emphasised the need for a separate and detailed SSVA for Peel's site in Chatham which was specifically identified as a Strategic Site in the emerging Local Plan at that point in time. We stated that it is imperative that the SSVA is based on robust, market-facing cost and value inputs specific to Peel's site to ensure accurate viability testing and the setting of realistic, deliverable policy requirements that would not compromise site viability. We further stated that Peel welcomed engagement with the Council and HDH to assist in formulating the assumptions for the CDSS SSVA.

The approach that we previously recommended accords with the relevant viability guidance<sup>1</sup> and research by Lichfields<sup>2</sup>, both of which recognise that strategic site testing will be subject to bespoke,

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<sup>1</sup> For example, Planning Practice Guidance for Viability, Paragraph 5 and RICS Professional Standard: Assessing viability in planning under the National Planning Policy Framework 2019 for England (2021), Section 3.5 and Appendix A

<sup>2</sup> Fine Margins: Viability Assessment in Planning and Plan-Making (August 2021), Lichfields

site-specific assumptions which deviate from the wider high level area-wide viability assumptions used for the notional typology sites, and further that the assumptions for these sites should be formulated in dialogue with the relevant stakeholders of each site. The recommended site-specific approach reflects that strategic sites are critical to the delivery of the strategic priorities and policy objectives of the plan. Indeed, the RICS guidance<sup>3</sup> advises that:

*“They [the assessor] should include sites identified in planning policy for development, with particular regard to sites with specific viability characteristics or infrastructure requirements, and any strategic sites on which the delivery of the plan depends...”*

*“Any strategic sites assessed should reflect the proposed land uses in the plan, as well as the likely density, height and massing”.*

It is acknowledged that there are limits as to the level of detail available for each strategic site at the plan-making stage, and therefore the level of detail that the appraisal can be taken to, however it is still crucial that a finer grain approach is adopted for site-specific assessments for strategic sites.

We understand that HDH subsequently updated the pre-consultation draft LPVA and prepared a consultation version of the LPVA dated December 2021. The 2021 study includes some high level commentary which appears to be in response to some of our previous comments on the generic area-wide viability assumptions. The 2021 study also includes a high level SSVA for CDSS. The purpose of the SSVA is to inform the emerging policy requirements for the site, albeit no allocation-specific policies have yet been prepared by the Council as far as we understand.

The 2021 LPVA was not published at the time of the earlier Local Plan consultations and we understand that this is the first occasion whereby stakeholders have had sight of the 2021 study. The Council has not updated its viability evidence for the purposes of the current Regulation 18 consultation, and has instead asked for comment on the 2021 study despite it now being nearly 3 years out of date, during which time there has been significant changes in economic and property market conditions, as well as new policies introduced at a local and national level. At the outset of the 2021 LPVA, it is stated that:

*“The Viability Assessment considers potential development sites and policies that were in the emerging draft plan in 2021. There are now different proposed policies and development sites under consideration in the current Regulation 18 consultation. The Council notes the range of changes, but is publishing this document for consultation as part of the emerging evidence base for the new Local Plan”.*

The Council does not acknowledge the significant changes in economic and property market conditions since the date of 2021 LPVA, including but not limited to the global geopolitical conflicts which have influenced the UK economy including the period of significant inflation and cost of living pressures, the significant increase in interest and mortgage rates, build cost inflation, the strong rental growth in the private rented sector and the recent general election and subsequent emerging implications for the planning system and property market.

In addition, based on our initial review of the 2021 LPVA, it is clear that not all of our previous comments have been adequately accounted for by HDH, whilst this is the first opportunity that Peel has been provided with to comment on and shape the assumptions specific to the SSVA for CDSS. This is despite

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<sup>3</sup> RICS Professional Standard: Assessing viability in planning under the National Planning Policy Framework 2019 for England (2021), Paragraph 3.5.5 and 3.5.7

the relevant national planning<sup>4</sup> and RICS viability guidance<sup>5</sup> making quite clear that stakeholder engagement is vital to develop robust assumptions, particularly for strategic sites as noted above.

As well as the requirements relating to stakeholder consultation, the National Planning Policy Framework ('NPPF') and Planning Practice Guidance for Viability ('PPGV') both emphasise the importance of robust and up to date evidence in informing the plan-making process. Paragraph 31 of the NPPF states that:

*"The preparation and review of all policies should be underpinned by relevant and up-to-date evidence. This should be adequate and proportionate, focused tightly on supporting and justifying the policies concerned, and take into account relevant market signals".*

It is therefore necessary for HDH and the Council to undertake a comprehensive update to the 2021 LPVA to account for all economic, property market and local and national policy changes since 2021, and also to engage in a period of site-specific dialogue with key stakeholders of the strategic sites to agree robust cost and value assumptions for these sites based on site-specific evidence, as well as robust scheme assumptions in terms of densities, uses, housing mix and so on.

As part of the update, HDH and the Council must provide full evidence-based justification for all assumptions utilised in the updated LPVA, particularly key inputs such as revenues, build costs, profit and benchmark land values ('BLVs'). The updated assumptions and evidence base should then be made available for stakeholder review and comment along with the updated appraisals, findings and recommendations on policy requirements. Simply stating that stakeholders have not provided substantive evidence to alter the previous unsubstantiated and/or out-of-date figures will not suffice and will be comprehensively challenged. Transparency of assumptions and evidence is a crucial aspect of all viability testing and is fundamental to determining the weight to be accorded to the viability assessment as confirmed in the PPGV<sup>6</sup>.

### **Summary of Key Observations**

Given that the Council's viability evidence base and assumptions for the emerging Local Plan are now significantly out of date with no updated information provided as part of the 2024 consultation, it is not appropriate to provide a detailed line-by-line review and response to HDH's previous 2021 report or the SSVA for CDSS.

In addition, even if the study and SSVA were current, the SSVA for CDSS does not reflect the latest scheme that is being promoted by Peel for site SM16 in terms of total unit numbers, housing mix, tenures and uses as summarised later in this representation. Moreover, Peel has not been consulted on any of the key inputs to be adopted in the SSVA based on its detailed due diligence and extensive site-specific knowledge of the site.

For the above reasons, it is important to make clear that whilst Peel does not necessarily disagree with HDH's overall recommendations in 2021 relating to reduced affordable housing requirements on the more challenging brownfield sites in Medway due to viability constraints<sup>7</sup>, Peel does not agree with all assumptions and the extent of the viability deficit generated by HDH's 2021 SSVA for CDSS.

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<sup>4</sup> Planning Practice Guidance for Viability

<sup>5</sup> RICS Professional Standards: Financial viability in planning: conduct and reporting (2019) and Assessing viability in planning under the National Planning Policy Framework 2019 for England (2021)

<sup>6</sup> Planning Practice Guidance for Viability, Paragraph 8

<sup>7</sup> HDH recommended 10% affordable housing on brownfield sites with a tenure split of 51% Affordable Rent, 49% Home Ownership

Based on Peel's extensive due diligence and experience in actual site delivery over the past 15 years, Peel is confident that the site is a fully deliverable and sustainable proposition which is critical to help meet the Council's vision and strategic objectives, its employment and housing needs over the plan period. Peel has undertaken detailed technical due diligence and has worked with key stakeholders over many years since 2008 to inform their masterplan proposals for the site and the delivery of a comprehensive sustainable residential and employment destination.

Based on this detailed due diligence, Peel is confident that the site is viable and deliverable and further that there is the ability to provide some affordable housing as part of the overall scheme, together with the necessary supporting infrastructure. As set out in Peel's Regulation 18 representations (October 2023), Peel has already made considerable progress over the past 10-15 years in delivering key infrastructure, public realm, new commercial development, a college, new housing – including 237 affordable homes – a care home and retail stores at the site. This investment has established a new community and is clear and compelling evidence of Peel's track record and the deliverability of commercial and residential development on this specific site with the necessary supporting infrastructure.

Notwithstanding the above, it is inevitable with a strategic site of this size and complexity, particularly in terms of the nature of the ground conditions and existing and former uses, together with the flood risk and infrastructure requirements, and the current challenging market conditions, that there have and will be viability constraints across the site which will impact on the level of affordable housing and planning obligations that can be viably delivered by the proposed scheme. This is why it is imperative that the policy requirements for the site are based on a robust SSVA and are set at a realistic and sustainable level that do not risk compromising site deliverability. In this respect, Peel supports HDH's recommendations in the 2021 study relating to reduced affordable housing requirements on the more challenging brownfield sites to ensure that they are deliverable. Peel does however reserve its position to provide further comment on the policy requirements, including whether 10% affordable housing is the correct level, once the outcome of HDH's updated appraisal is available.

To assist HDH in comprehensively updating the evidence base and appraisal assumptions within the LPVA, and to inform future discussions between Peel, the Council and HDH on the SSVA for CDSS, we have reviewed HDH's 2021 appraisal for the site and have provided a headline summary of key initial comments based on our observations and the issues that have been initially identified within the appraisal. It is important to note that this is an initial summary commentary only which has been prepared within the limited timescales available for responses and noting that the evidence base is heavily out of date. Peel therefore reserves the right to comment on the updated evidence base and assumptions once the necessary comprehensive update has been carried out and the updated LPVA is made available for stakeholder comment.

As alluded to above, there are a range of other key steps required before Peel can provide proper and informed comment on the Council's viability evidence for CDSS. In particular, the SSVA needs updating on the following bases:

- 1) To reflect current day costs and values;
- 2) To reflect the scheme that is being promoted by Peel;
- 3) To reflect robust site-specific assumptions for this particular site based on its specific characteristics and considerations, including in respect of site abnormal costs.

This will require close consultation and engagement between Peel and the Council/HDH to agree robust assumptions for the appraisal based on the best available information at this stage of the process, in accordance with the PPGV and RICS guidance. Peel welcomes the opportunity to work collaboratively with the Council and HDH to formulate a robust SSVA and would be very happy to initially engage with the Council and HDH to establish an indicative programme to guide the preparation of the SSVA over the coming period.

The remainder of this representation sets out our headline summary comments on the 2021 SSVA for CDSS as referenced above. We finish this representation with a brief conclusion regarding the key principles set out herein and the recommended next steps.



## **Chatham Docks Strategic Site – LPVA 2021 Assumptions – Initial Observations and Comments**

Appraisal Input	HDH Assumption	Initial Notes/Comments
Date	Dec-21	<ul style="list-style-type: none"> <li>The study is heavily out of date. The full evidence base and appraisal assumptions require updating to reflect current day costs and values, as well as all market and policy changes since 2021 including but not limited to: Future Homes Standards ('FHS'), building safety (eg. introduction of second staircases which will impact on gross:net efficiency), the increased cost of debt, build cost inflation and rental growth.</li> </ul>
Gross Site Area (Acres)	72.57	<ul style="list-style-type: none"> <li>The gross site area is c. 80 acres according to Peel, covering Chatham Docks Industrial Estate (c. 74.55 acres) and a further 5.5 acres within the remainder of Chatham Waters (see plan at Appendix 2). The areas need to be updated by HDH in the revised appraisal.</li> </ul>
Net Site Area (Acres)	72.57	<ul style="list-style-type: none"> <li>100% gross to net assumed by HDH – why has 100% been applied? HDH state that the typology assumptions have been provided by the Council but do not state how the assumptions were derived; clarification required.</li> <li>This assumption is not appropriate in any event and must be adjusted to provide an appropriate allowance for the non-developable parts of the site; at present key aspects such as open space requirements, flood mitigation works, key infrastructure etc are not accounted for within the scheme assumptions. On other similar large regeneration projects that C&amp;W and Peel have been and are involved in, it is not uncommon for the net area of the residential elements to be below 50% of the gross area given the open space, infrastructure requirements etc. The gross:net for the employment areas will likely be more efficient.</li> <li>A robust assumption needs to be devised in discussion with Peel and based on the latest Masterplan proposals.</li> </ul>
Tenure	Market Sales	<ul style="list-style-type: none"> <li>We note that HDH have not included any BTR or non-residential uses in the appraisal. This needs to be addressed as part of the updated appraisal to reflect the likely scheme proposals in discussion with Peel.</li> </ul>

Assumed Scheme		
Total Units (see Appendix 3 for assumed mix)	3,625	<ul style="list-style-type: none"> <li>Peel is promoting a scheme of c. 3,000 new homes for sale and rent (with c. 500 additional homes at Chatham Waters and c. 2,500 on the remainder of the existing Chatham Docks Industrial Estate). This needs to be reflected in the updated appraisal.</li> <li>HDH state that the scheme is "modelled as mostly flats" however the scheme is entirely flats not "mostly" according to the provided mix assumptions; there are no townhouses or low rise housing included which is inconsistent with Peel's proposals.</li> </ul>
Total NSA (sq. ft.)	2,609,882	<ul style="list-style-type: none"> <li>Significant proportion of 3 beds included (56%). Evidence to explain the approach is required; HDH refer to information provided by the Council for this site but do not expand any further. Peel is proposing a mixture of townhouses (2-3 storeys) and apartment-led development ranging in height from 4-6 storeys, 6-10 storeys and 10-20 storeys - see October 2023 masterplan in Peel's Regulation 18 representations.</li> </ul>
Market Housing Units	2,538	<ul style="list-style-type: none"> <li>Quantum to be amended based on the revised scheme and reflective of the recommended 10% affordable housing requirement based on the previous study (this comment does not imply Peel's agreement to the 10% provision but is required to align with HDH's previous recommendations).</li> </ul>
Affordable Units	1,087	<ul style="list-style-type: none"> <li>30% affordable housing tested but HDH conclude with a suggestion of 10% affordable housing based on the 2021 viability findings. The draft Local Plan policy is not particularly clear on whether 10% applies to Chatham Docks as it is modelled as an "Urban Flatted" scheme which has the same value assumption for "high" and "low" value areas, and the AH policy differentiates between these areas. Clarification required.</li> <li>As noted earlier in this representation, Peel supports HDH's recommendations in the 2021 study relating to reduced affordable housing requirements on the brownfield sites, but does not agree with the extent of the overall deficit for CDSS generated by HDH's 2021 appraisal. Peel also reserves its position to provide further comment on the policy requirements, including whether 10% affordable housing is the correct level, once the outcome of HDH's updated appraisal is available.</li> </ul>
Average Market NSA (sq. ft.)	755	<ul style="list-style-type: none"> <li>Reflective of large proportion of 3 beds in HDH's assumed mix. Evidence to explain the assumed mix is required.</li> <li>Mix and unit size assumptions to be updated to reflect the likely scheme proposals in discussion with Peel.</li> </ul>
Average Affordable NSA (sq. ft.)	638	<ul style="list-style-type: none"> <li>Affordable mix is more equally distributed across 1, 2 and 3 beds (see p516 of HDH's report).</li> </ul>

		<ul style="list-style-type: none"> <li>Mix and unit size assumptions to be updated to reflect the likely scheme proposals in discussion with Peel.</li> </ul>
Density (Units per acre)	49.9	<ul style="list-style-type: none"> <li>The density for the site will vary across the different character areas and is likely to be quite significantly higher on the Chatham Waters side.</li> <li>The density, mix and unit size assumptions need to be updated to reflect the likely scheme proposals in discussion with Peel and based on the latest Masterplan proposals.</li> </ul>
Coverage (sq.ft. per acre)	35,961	
Commercial NIA (sq. ft.)	-	<ul style="list-style-type: none"> <li>HDH have not accounted for any commercial/employment development within the appraisal.</li> <li>Peel is promoting a c. 8 ha employment zone to develop sustainable, flexible waterfront space to help attract businesses operating in the Council's target growth sectors including creative and innovative technical business; healthcare; IT and digital as well as key employment and supporting uses. Estimated to be c. 31,000 sqm of floorspace. This element needs including in the updated scheme appraisal.</li> </ul>
Undercroft/Surface Car Parking	Not stated	<ul style="list-style-type: none"> <li>HDH have not set out any assumptions in respect of car parking for this specific site as far as we can see.</li> <li>The parking strategy needs to be accurately reflected in the appraisal as far as possible at this stage. Peel's latest due diligence suggests that parking for the higher density parts of the site is likely to comprise undercroft/podium parking which is a much higher cost than surface parking, but also typically attracts higher revenues. Peel is also reviewing whether an MSCP is required for the area to the north of the basin.</li> </ul>
Total Scheme GIA (sq. ft.)	3,001,365	<ul style="list-style-type: none"> <li>To be amended based on the revised scheme and reflecting the preceding comments.</li> </ul>
Storey Heights	Not stated	<ul style="list-style-type: none"> <li>See comments above on proposed/likely storey heights – this needs to be reflected in the updated scheme cost and value assumptions, with higher build costs and higher values for taller buildings and vice versa. The gross:net building floorspace assumptions also need to be amended to reflect the likely storey heights. The RICS guidance makes clear that strategic site testing at the plan-making stage should reflect the likely density, height and massing as noted earlier in this representation.</li> </ul>

Building Gross:Net	85%	<ul style="list-style-type: none"> <li>15% gross:net reduction applied with the same assumed efficiency for low/mid rise and high rise apartments.</li> <li>15% is already too low for mid-rise apartments and far too low for high rise, especially as at 2024 with building safety requirements, second staircases etc. The gross:net would also be higher for BTR schemes vs. market sale as stated in our 2019 representations. We suggested an allowance of c. 25-30% and evidenced this with specific Peel scheme examples. HDH state that they have amended the assumption "in line with evidence submitted" which is inaccurate as the 85% assumption is not aligned with our previous comments and submitted evidence. This assumption requires updating to a robust evidence-based allowance.</li> </ul>
<b>Revenues</b>		
Average Sales Revenues (£ psf)	£334	<ul style="list-style-type: none"> <li>The revenues are out of date based on an October 2021 evidence base. The revenues need fully and comprehensively updating across sales and BTR based on the latest market evidence. The relevant comments in our 2019 representations should also be accounted for.</li> <li>The value areas need to be spatially defined with a clear map as stated in our 2019 representations.</li> <li>For the subject site, we also recommended that a zonal approach to value is adopted, with the assumed revenues tapering down with increasing distance from the river and the reduced scale of development. Approach to be agreed in dialogue with HDH.</li> </ul>
Shared Ownership	£217	<ul style="list-style-type: none"> <li>The affordable revenues require updating.</li> <li>The % of OMV is regarded as not unreasonable notwithstanding our disagreement with the assumptions to arrive at this figure as set out in our 2019 representations where HDH made unsubstantiated assumptions with no RP benchmarking/consultation to obtain RP views on the reasonableness of the approach and assumptions.</li> <li>All comments in our 2019 representations should be fully addressed as part of the updated study.</li> </ul>
Shared Ownership Revenues % of OMV	65%	
Affordable Rent	£218	<ul style="list-style-type: none"> <li>The affordable revenues require updating.</li> <li>The % of OMV is regarded as too high for S106 nil grant Affordable Rented units as stated in our previous representations; the net rent was capitalised by HDH at an unevidenced low discount rate of 4% (which is now even more unreasonable given increased cost of</li> </ul>

Affordable Rent Revenues % of OMV	65%	<p>debt) and HDH have made notional percentage discounts for key operating costs rather than robust per unit assumptions. We would refer back to our detailed comments in our 2019 representations on the unsubstantiated assumptions and lack of RP benchmarking/consultation. We evidenced our disagreement and suggestions of more reasonable assumptions by reference to a recent (confidential) RP offer received by Peel.</p> <ul style="list-style-type: none"><li>• HDH to update the assumptions and ensure robust consultation with local RPs as part of the updated assumptions/evidence base as set out in our previous representation.</li></ul>
BTR Rents	Not stated for this site.	<ul style="list-style-type: none"><li>• The appraisal needs updating to include BTR and commercial elements as per the comments above, in line with Peel's likely proposed scheme.</li><li>• It is imperative that robust assumptions are adopted for the revenues for all elements of the proposed scheme and formulated in dialogue with Peel.</li></ul>
Opex	Not stated for this site.	
Net Yield	Not stated for this site.	
Commercial Rent	Not stated for this site.	
Net Yield	Not stated for this site.	
Purchaser's Costs	Not stated for this site.	
Standard Build Costs		
Average Base Build Costs inc. Prelims - Apartments (£ psf)	£188	<ul style="list-style-type: none"><li>• HDH advise that they have adopted the following base build costs for apartments:<ul style="list-style-type: none"><li>○ 3-5 Storey - £149 psf</li><li>○ 6+ Storey - £177 psf</li></ul></li><li>• However the site appraisal figures suggest a total blended base build cost figure of c. £188 psf. Full clarification is required on the adopted build cost assumptions however the costs need to be fully updated to 2024 in any event, based on robust market-facing evidence.</li><li>• HDH noted that consultees stated: "The costs of buildings of 10 to 15 storeys are greater than for buildings of 6 to 9 storeys and buildings of 15 storeys and over are more expensive still (and that BCIS doesn't reflect high rise costs)". HDH advised that "The Council is not anticipating buildings of such a scale, so it is not necessary to develop further typologies to cover this eventuality".</li><li>• This comment/response is not accepted as Peel's scheme is likely to include higher rise blocks in various parts of the site as alluded to above, potentially up to 20 storeys. Within our 2019 representations, we strongly recommended that HDH refined the build cost assumptions for apartments and introduced additional categories for schemes above 6</li></ul>

		storeys (we suggested 3 categories of 6-9, 10-14 and 15+ but this needs to be reviewed based on current build costs and building safety requirements/thresholds).
External Works	16% of base build	<ul style="list-style-type: none"> <li>It is unclear where this assumption is derived from, HDH suggest 5% is used for flatted sites but 16% applied here – clarification is required.</li> </ul>
<b>Total Standard Build Cost inc. Externals</b>	<b>£219</b>	<ul style="list-style-type: none"> <li>Build costs to be updated to current day position, in dialogue with Peel based on their likely scheme proposals for this site and accounting for all comments above and within our previous representations.</li> </ul>
Contingency	5%	<ul style="list-style-type: none"> <li>Reasonable allowance.</li> </ul>
Professional fees	8%	<ul style="list-style-type: none"> <li>We previously suggested a higher allowance may be appropriate for complex sites such as CDSS however this needs to be reviewed in the round with the updated assumptions.</li> </ul>
<b>Abnormal Costs</b>		
Abnormal Costs	10% of build costs	<ul style="list-style-type: none"> <li>HDH have seemingly adopted a high level notional 10% allowance for site abnormalities.</li> <li>HDH have had some regard to our previous comments on abnormalities but claim that we do not suggest what allowance should be applied to Chatham. This is because we stated that "The latter will require engagement with the stakeholders of each Strategic Site to obtain the detailed site-specific abnormal cost breakdowns and supporting cost evidence". HDH have not engaged with Peel on the cost allowances.</li> <li>Peel welcomes such engagement as part of the next steps to develop robust abnormal cost assumptions for the site.</li> <li>HDH state that <i>"The Chatham Docks site is modelled with higher remediation costs (10% rather than 5%) than the other brownfield sites"</i>. The basis for this approach/assumption requires explanation. In addition, the reference to "remediation" appears to actually relate to the full site abnormal costs as far as we can see rather than remediation alone; this should be clarified by HDH and more accurate terminology used to describe this allowance otherwise it could lead stakeholders to believe that other abnormal costs have been missed/omitted.</li> <li>Key site-specific infrastructure and abnormalities for this site include extensive public realm comprising riverside and dockside walkways, green spaces and new footway and cycle connections, flood defences, sustainable drainage, power/utilities upgrades and reinforcements, demolition and remediation, and works to the lock gates. As noted above, Peel welcomes engagement with HDH to agree appropriate abnormal cost allowances for the appraisal.</li> </ul>
	£57,825,846	
Per Net Acre	£796,793	
Per Plot	£15,952	

		<ul style="list-style-type: none"> <li>• HDH's approach to "reflecting" (i.e. deducting) abnormals in the BLV is not agreed as set out in full detail in our 2019 representations. The PPGV and RICS guidance does not support an approach of deducting abnormal costs from the BLV as this does not follow the EUV+ methodology and the requirement to provide a reasonable incentive for the landowner to release their site for development, in comparison to other options available.</li> <li>• HDH need to explain the abnormal cost cash flow assumptions as there is no clear rationale/approach stated, the cost appears to be simply phased in line with build costs at present - clarification required and robust approach to abnormals cash flow to be devised in dialogue with Peel.</li> </ul>
<b>Policy Costs</b> <b>Note - for all policy costs, HDH need to clearly evidence how they have assessed/accounted for all latest policies; Peel cannot comment on the reasonableness of the assumptions for new and/or refined policies without seeing the up to date approach and evidence base.</b>		
BNG	0.66% of build costs	<ul style="list-style-type: none"> <li>• BNG appears to be included as part of external works – clarification required and transparent assumption to be devised.</li> <li>• HDH assumption does not account for the 20% policy requirement however it appears that the Council are now reverting to 10%. HDH to confirm their approach in the updated study.</li> </ul>
Housing Mix	Based on HMA 2021  NDSS applied	<ul style="list-style-type: none"> <li>• Is the HMA source still relevant and up to date? HDH/the Council to clarify.</li> <li>• See mix analysis at Appendix 3 for Chatham - what was HDH's evidence for this mix for this site?</li> <li>• We previously suggested that mix must be informed by analysis of consented schemes which should be analysed as part of the updated study to inform robust typology assumptions.</li> <li>• The assumed housing mix for this site needs to be agreed in dialogue with Peel based on their latest due diligence and masterplan proposals as it does not currently reflect the likely mix and type of housing to be delivered.</li> </ul>
Accessible Homes	Cat 2 - £610 per unit Cat 3 - £11,840 per unit	<ul style="list-style-type: none"> <li>• The indexation of costs needs updating to 2024.</li> <li>• Clarification required as to the actual policy requirement here as this is not stated in the 2021 study; HDH test two scenarios but do not state the preferred or base approach.</li> </ul>
FHS 2025	Not included	<ul style="list-style-type: none"> <li>• A robust and evidenced cost allowance for FHS needs including in the updated study alongside any other Council-specific climate change/net zero policies.</li> </ul>

EV Charging Points	£976 per unit	<ul style="list-style-type: none"> <li>Clarification required as to where this cost is accounted for in the appraisal, this is not clear from the print out sheet in the appendices.</li> <li>Consultation document refers to £250 per unit allowance but written report suggests £976 per unit - clarification required.</li> </ul>
Open Space	Unclear	<ul style="list-style-type: none"> <li>Clarification required as to how the open space requirements have been reflected in the modelling; HDH state that the requirements have been accounted for but do not set out how. It is impossible to have been accounted for in the gross:net site area allowance for this site as this has been set at 0% as noted above. There is no obvious cost allowance. Full clarification required.</li> <li>Irrespective of the updated assumption, Peel has referenced the need for flexibility in respect of open space requirements for higher density schemes within its previous representations prepared by P4 Planning.</li> </ul>
Self/Custom Build	No specific testing for flatted schemes	<ul style="list-style-type: none"> <li>HDH set out a high level approach for self build plots but this is incompatible with flatted schemes. We understood that the relevant policy therefore excludes flatted schemes from this requirement.</li> </ul>
S106 Contributions	£20,627,700	<ul style="list-style-type: none"> <li>It is stated that the Council has estimated these costs which cover education, health, open space, culture and sport, bird mitigation, waste and recycling and youth. Peel reserves its position to review and comment on the updated cost assumptions based on the updated Infrastructure Delivery Plan to understand how this relates to the S106 contributions proposed.</li> <li>HDH recommend that S106 contributions for Chatham are based on <u>"phased pro-rata over the life of the scheme"</u>. Peel is supportive of this approach which must be reflected when agreeing any future S106 payment triggers for the site in light of policy S24.</li> <li>We also note that policy S24 sets out an expectation for scheme reappraisals for phased development. The current drafting is vague and uncertain, potentially suggesting a requirement for a full reappraisal for each phase which would be inappropriate where viability has already been robustly tested as part of earlier applications. Any policy on reappraisals must be extremely clear on the approach to viability reviews and should be drafted in full accordance with the relevant guidance on review mechanisms. Peel reserves the right to comment on this policy once properly drafted at the next stage of the process.</li> </ul>
Per Plot	£5,690	
CIL	£0	<ul style="list-style-type: none"> <li>Peel supports the zero CIL assumption for the site as CIL is evidently not viable for the site based on HDH's findings, notwithstanding Peel's disagreement with the extent of the overall deficit and the now dated nature of the study.</li> </ul>



Other Costs		
Sales/Marketing/Legals	3.5% of GDV	<ul style="list-style-type: none"> <li>Reasonable allowance for market sale housing. A reduced allowance should apply to BTR and affordable housing.</li> </ul>
Finance (Combined Allowance Including Fees)	6%	<ul style="list-style-type: none"> <li>Finance rate is too low in the current climate for market sale schemes. Finance rate to be updated to reflect current market conditions and increased cost of debt.</li> </ul>
	£0	<ul style="list-style-type: none"> <li>Nil finance generated by HDH's appraisal for this site which cannot be correct, is this because the scheme residual is heavily negative? However this should not result in nil finance costs and suggests an incorrect/inaccurate appraisal model, HDH to clarify their approach to calculating the scheme finance.</li> <li>We would recommend that industry standard Argus Developer is used for the site-specific appraisals, as has been adopted in other LPVAs, to ensure a robust approach to calculating the scheme finance costs.</li> </ul>
Programme and Cash Flow		
Lead-in Period	6 months	<ul style="list-style-type: none"> <li>HDH appear to have adopted the exact same lead-in period for every typology and strategic site. This is an inappropriate approach and does not reflect the additional enabling works and infrastructure requirements – and therefore the extended lead-in period – for larger and/or more complex sites.</li> <li>Based on Peel's due diligence to date and the extent of the upfront infrastructure, flood mitigation works etc, a lead-in period of c. 12 months appears broadly reasonable. Peel reserves the right to review the lead-in period assumption as part of the next steps and dialogue with HDH once due diligence is further progressed.</li> </ul>
Construction Period	14 years	<ul style="list-style-type: none"> <li>The trajectory/programme is stated to be based on Council information which varies from 150 - 450 units per annum with a large uptick after year 5 then a drop off in delivery after year 10. No further information or evidence is provided to explain or justify the assumptions; full clarification is required.</li> <li>In addition, the construction period and sales period needs to be updated based on Peel's latest trajectory and assumed phasing, in line with the RICS guidance.</li> <li>All professional fees are assumed to be incurred in Year 1 by HDH which is incorrect, the fees should be spread through the duration of the project. See comments above on abnormal costs cash flow.</li> </ul>

Sales Period	14 years	<ul style="list-style-type: none"><li>All sales income assumed to be received in the exact same year as the build start for each tranche of units. This approach is incorrect as the developer cannot achieve all of the revenue for 150 units in Year 1 of the build period for example.</li><li>Sales profiling assumptions to be updated to align with Peel's latest trajectory with reasonable overall assumptions based on the likely mix of tenures (sales, rental etc).</li></ul>
Developer's Profit		
Developer's Profit on Market Housing	17.5% of GDV	<ul style="list-style-type: none"><li>For sales schemes (not rental), the combined profit is not unreasonable if set as a blended profit including 30% affordable housing.</li><li>However, if the affordable housing is reduced below this level, then the profit should revert to 20% of market GDV and 6-8% of affordable GDV as set out in full detail in our 2019 representations.</li><li>HDH to consider appropriate profit allowances for all tenures and uses including BTR and commercial, having regard to current market conditions and risk profile compared to 2021.</li></ul>
Developer's Profit on Affordable Housing	17.5% of GDV	
Benchmark Land Value		
EUV (per acre)	£647,511	<ul style="list-style-type: none"><li>Based on the Industrial land "generally" assumption rather than the "town centre" assumption; we previously recommended and evidenced higher EUVs for the mid-higher density schemes in town centre locations as set out in our 2019 representations.</li><li>The EUVs require updating based on latest market evidence; industrial land values have generally moved on since 2020/21 however a full update to the evidence base is required to assess current values.</li><li>The EUV for CDSS should be based on the specifics of this site in terms of existing uses and up to date market evidence.</li></ul>
Premium	20%	<ul style="list-style-type: none"><li>The applied premium is not necessarily unreasonable in the viability in planning context although we previously suggested and evidenced that a higher premium should be applied to the medium and high density apartment schemes as they will generate considerably higher land values (on a per acre basis) and to incentivise release of the site for residential use rather than alternative competing non-residential uses (eg. office / retail) in town centre locations. The premium needs to be balanced having regard to these considerations, and the extent of the abnormal and policy costs included in the appraisal.</li></ul>
Total BLV	£56,390,400	<ul style="list-style-type: none"><li>As noted above, the EUVs and BLVs in the LPVA require updating based on the latest current market evidence. Peel acknowledges the BLV previously assumed for CDSS which has been set by HDH based on the total extent of the abnormal and policy costs included in their 2021 appraisal as outlined above. Peel reserves the right to comment again on the</li></ul>
Per Acre	£777,013	

		<p>EUV/BLV once the necessary updates to the evidence base and assumptions have been carried out by HDH.</p> <ul style="list-style-type: none"> <li>The updated EUV/BLV also needs to be applied to the updated/larger site area as set out earlier in this representation.</li> </ul>
Land Acquisition	SDLT + 1.5%	<ul style="list-style-type: none"> <li>Reasonable allowance.</li> </ul>
<b>Residual Land Value and Surplus/Deficit</b>		
<b>Residual Land Value</b>	<b>-£101,796,695</b>	<ul style="list-style-type: none"> <li>C&amp;W have estimated the deficit based on taking HDH's calculated RLV less their assumed BLV.</li> <li>HDH suggest a figure of c. -£181m in the "Additional Profit" cell but it is unclear how this has been arrived at. Clarification required.</li> <li>The appraisal is heavily negative but is based on an incorrect scheme, costs and values as at 2021 which are now considerably out of date, as well as the 2021 policy regime rather than the latest national and local policy regime as at 2024. In addition, no dialogue has taken place with Peel to ensure that robust site-specific assumptions have been adopted.</li> <li>As such, very little weight is attributed to the extent of the deficit reported by HDH in 2021. The appraisal needs fully updating based on the latest scheme proposals and credible assumptions adopted for all values and key cost inputs in close collaboration with Peel based on its detailed due diligence for the site and knowledge of site delivery in this location.</li> <li>HDH advise that based on the 2021 findings, "it is necessary to consider a lower affordable housing target on the brownfield sites" and further that "we recommend that the affordable housing requirement on such sites is reduced to 10%" but that it is accepted that not all sites will be able to bear 10%.</li> <li>As set out earlier in this representation, whilst Peel does not agree with all assumptions and the extent of the viability deficit generated by HDH's 2021 SSVA for CDSS, and the appraisal needs comprehensively updating to the current date and to reflect the latest scheme proposals, Peel supports HDH's recommendations in the 2021 study relating to reduced affordable housing requirements on the more challenging brownfield sites to ensure that they are deliverable. Peel does however reserve its position to provide further comment on the policy requirements, including whether 10% affordable housing is the correct level, once the outcome of HDH's updated appraisal is available for review and comment.</li> </ul>
<b>Surplus/Deficit</b>	<b>-£158,187,095</b>	
<b>Per Plot</b>	<b>-£43,638</b>	

## Conclusion

To conclude, Peel is fully committed to delivering a transformational new residential community and employment destination in Chatham, including the provision of affordable housing and the necessary supporting infrastructure. Peel does have some concerns regarding the viability approach and the key assumptions previously proposed in the LPVA as set out in our 2019 representations however the study is now heavily out of date and requires fully updating to provide an accurate assessment of site viability as at the current date.

It is essential that the Council and HDH comprehensively revisit their proposed approach and assumptions, and in doing so give due consideration to the issues previously raised by stakeholders and recapped again in this representation. In addition, the assumptions for the SSVA for SM16 should be amended in close consultation with Peel so as to reflect a more realistic market-facing position for the site. Once the LPVA has been updated and a robust evidence base presented for all key assumptions, stakeholders should be given adequate time at the next stage of the process to comment on the updated study and assumptions, as all current comments are simply backward-looking at present based on outdated evidence.

Based on Peel's latest due diligence and having regard to current market conditions, it is Peel's expectation that when the SSVA for CDSS/SM16 is revised in line with the approach recommended in this representation, the scheme viability position is still likely to be challenging as at the current date, but with a lower deficit than suggested by HDH in 2021. In this respect, whilst Peel does not agree with all assumptions and the extent of the viability deficit generated by HDH's 2021 SSVA for CDSS, and the appraisal needs comprehensively updating to the current date and to reflect the latest scheme proposals, Peel supports HDH's recommendations in the 2021 study relating to reduced affordable housing requirements on the more challenging brownfield sites to ensure that they are deliverable. Peel does however reserve its position to provide further comment on the policy requirements, including whether 10% affordable housing is the correct level, once the outcome of HDH's updated appraisal is available

The final point that merits reference within this representation at this stage is to recognise the limitations of viability testing at the plan-making stage. Even once the SSVA for CDSS/SM16 has been robustly updated in dialogue with Peel, it is still regarded as crucial that sufficient flexibility is included in the relevant Local Plan policies to enable viability to be reassessed at the application stage where necessary and for policy requirements to be relaxed where robustly justified on viability grounds, having regard to site-specific circumstances and constraints.

This is because of the scale and complexity of this specific site and the need for further detailed due diligence to be carried out by Peel and its consultant team to clarify all site-specific design requirements, technical solutions and associated costs. This is quite typical for a strategic site of this nature during the plan-making process, where it is not possible to have carried out full detailed due diligence on every aspect of a site of this scale and complexity. The viability position will also change throughout the delivery of the site, owing to the length of the development period for a scheme of this magnitude and fluctuations in market conditions over time.

The introduction of the recommended policy flexibility will not diminish the Council's ability to secure affordable housing and other policy requirements from the site but will ensure that the delivery of sites/parcels across the allocation will not be prejudiced, particularly in the slightly lower value and/or the more constrained parts of the site with greater site-specific abnormal / extra over cost constraints.

Provided that this flexibility is included in the relevant policies, Peel is confident that the site is a fully deliverable and sustainable proposition, and further that there is the ability to provide some affordable housing as part of the overall scheme together with the necessary supporting infrastructure. Whilst the scale of development necessitates a requirement for policy flexibility, at the same time this creates the possibility that the latter phases of development could potentially prove more viable as the placemaking impact takes effect and the new community becomes further established which could support increased values over time.

### Next Steps

As previously stated, in robustly updating and refining the SSVA for the site, Peel welcomes the opportunity to work positively and collaboratively with the Council and HDH to support robust viability testing in accordance with recommended best practice for site-specific viability testing at this stage of the process. It is envisaged that a period of dialogue and information/evidence sharing between the parties will need to take place over the coming period.

Peel respectfully requests to be kept fully informed as to the progress of the updated SSVA and the revised assumptions in accordance with the PPGV and RICS guidance relating to stakeholder consultation and transparency. Peel reserves the right to comment on the updated SSVA following dialogue with the Council and HDH to agree robust assumptions, and once the necessary revisions have been made and the requested clarifications have been provided.

If the Council and/or HDH have any queries on the contents of this initial representation, please do not hesitate to contact us through the details below.

Yours faithfully,

  
**Hannah Gradwell, MRICS**

Associate  
RICS Registered Valuer

  
**Derek Nesbitt, MRICS APAEWE**

Partner  
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## **Appendix 1 – Previous Viability Representation (November 2019)**

# Medway Council: Local Plan Viability Assessment

## Initial Representation

PREPARED ON BEHALF OF:  
PEEL PROPERTY INTERMEDIATE LTD

November 2019



## Table of Contents

1. Executive Summary	3
2. Introduction	6
3. Financial Viability in Planning: Conduct and Reporting (May 2019)	7
4. Summary of Relevant National Policy and Guidance	8
5. Proposed Viability Approach and Assumptions	10
6. Site-Specific Viability Assessment: Chatham Waters Phase 2	39
7. Conclusions	41

## 1. Executive Summary

- 1.1. This initial representation has been prepared on behalf of Peel Property Intermediate Limited ('Peel') in response to the Medway Council Local Plan Viability Assessment pre-consultation draft publication. Medway Council have appointed HDH Planning and Development Ltd ('HDH') to undertake a viability assessment to inform the emerging Local Plan and the scope for introducing CIL in Medway.
- 1.2. This representation has been prepared in accordance with the RICS Professional Statement *Financial Viability in Planning: Conduct and Reporting* (1<sup>st</sup> edition) dated May 2019.
- 1.3. In July 2018, the government published the revised National Planning Policy Framework ('NPPF') alongside revised Planning Practice Guidance for Viability ('PPGV'). One key change to the viability regime was the shift in focus away from viability assessments at the application stage to viability testing at the plan-making stage.
- 1.4. Given the increased importance of the Local Plan viability assessment at the plan-making stage, it is imperative that the adopted assumptions are realistic and market-facing to ensure that the viability of development is accurately tested. This will support the setting of reasonable and deliverable policy requirements and will help to reduce the number of site-specific viability assessments at the application stage in accordance with the aspirations of the PPGV.
- 1.5. Having reviewed the viability approach and assumptions proposed by HDH, both we and our client are concerned that many key assumptions are inappropriate and/or insufficiently evidenced, and do not reflect a market-facing position. We summarise the key issues which we have identified in the table below:

Viability Assessment Input / Assumption	C&W Comments
Development Typologies	<p>Insufficient evidence for site typologies. Recently consented local new build schemes not reviewed.</p> <p>Densities and site coverage for certain brownfield site typologies appear to be overstated.</p> <p>Gross:net floorspace assumption for apartments (10%) is too low. Storey heights for apartment typologies not specified and therefore not possible to comment on the assumptions.</p>
Market Housing Revenues	<p>Blanket revenue assessment – very similar revenues assumed across entire district rather than differentiating values by location / value area.</p> <p>Sales values appear overstated for certain areas across Medway.</p> <p>Value areas not defined and therefore not possible to fully comment on the assumptions.</p> <p>Zonal approach required for assumed sales values in Waterfront area to reflect the absence of height / aspect premiums with increasing distance from the river.</p> <p>Inconsistent revenue differentials for the site typologies with no rationale / explanation.</p> <p>No reduction in assumed values for 2.5 / 3 storey units.</p> <p>Asking price incentive adjustment of 2.5% is too low.</p>
Build to Rent	Gross yield assumption insufficiently evidenced and set too low.
Affordable Housing Revenues and Delivery Assumptions	Revenues for all tenures are overstated.

	Valuation inputs inappropriate and/or insufficiently evidenced. No local engagement with RPs active in the market to obtain value / cost evidence. No information provided as to how affordable housing will be treated in for-sale apartment schemes.
Standard Build Costs	Unclear as to whether BCIS Lower Quartile or Median costs have been adopted. Base build costs and external works allowance for apartments are too low. No differentiation in base build costs for 6+ storey apartments. Base build costs for affordable housing are too low. Contingency allowance incorrectly differentiated by site typology and applied to standard build costs only. Professional fee allowance understated for larger sites.
Other Standard Development Costs	Land acquisition costs set too low.
Abnormal Costs	No abnormal costs assumed for greenfield sites and brownfield site abnormal costs are understated. No sensitivity analysis carried out on the abnormal cost assumptions.
Local Plan Policy Requirements and Section 106 Contributions	Cost allowances to satisfy all emerging policy requirements appear understated and are insufficiently evidenced. Clear breakdown required to demonstrate that the cost allowances will be sufficient to comply with all local policy requirements. Application of NDSS is not considered appropriate for all typologies particularly apartments.
Developer's Profit	Developer's profit for market housing and affordable housing is understated.
Benchmark Land Value (BLV)	HDH state that <u>all</u> abnormal costs should be deducted from the BLV which would result in very low or zero BLVs. Existing Use Value of town centre brownfield typologies is understated. Landowner premium for medium, high and very high density brownfield typologies is understated.
Development Period, Delivery Rates and Cash Flows	Lead-in period, main construction period and sales period for all site typologies not specified. It is therefore not possible to comment on the assumptions. No details of the cash flow modelling provided.

- 1.6. In our opinion, if the current inputs are adopted, the Local Plan viability assessment will not provide an accurate or robust assessment of site viability and will result in policy requirements being set at unrealistic levels. This will lead to delays in sites being brought forward for development which will undermine housing delivery in Medway. Developers / landowners will also incur costs in challenging the inaccurate assumptions at the application stage and negotiating more reasonable policy requirements based on the true viability of the site.
- 1.7. We highlight paragraph 35 of the NPPF which sets out the tests of 'soundness' when examining Local Plans. In our opinion, the Local Plan will not be effective or justified if based on the current Local Plan viability assessment.

- 1.8. Accordingly, within this representation we comment on the assumptions adopted by HDH and we provide evidence to support more realistic and market-facing inputs to inform the viability assessment. Both we and our client strongly recommend that HDH revisit the proposed assumptions within the viability assessment and give due consideration to the issues raised in this representation.
- 1.9. We further request that our client is given the opportunity to comment again on the proposed viability approach and assumptions once this initial representation has been considered. This further consultation will be necessary to ensure that adequate stakeholder engagement has been undertaken to inform the drafting of plan policies in accordance with the PPGV (Paragraph 6).
- 1.10. In addition, our client welcomes the opportunity for early and continued engagement regarding the site-specific viability assessment for their Chatham Waters Phase 2 site. This engagement will be essential to ensure that the viability inputs adopted for the site-specific assessment are robust, and the viability of the site is therefore accurately tested.

## **2. Introduction**

### **Purpose**

- 2.1. This initial representation has been prepared on behalf of Peel Property Intermediate Limited ('Peel') in response to the Medway Council Local Plan Viability Assessment (including CIL) pre-consultation draft publication.
- 2.2. Medway Council have appointed HDH Planning and Development Ltd ('HDH') to undertake a viability assessment to inform the emerging Local Plan and the scope for introducing CIL in Medway. This initial representation summarises our comments in respect of HDH's approach to assessing viability and their proposed appraisal assumptions.

### **Structure**

- 2.3. This representation is structured as follows:
  - Section 3 – RICS Financial Viability in Planning: Conduct and Reporting (May 2019)
  - Section 4 – Summary of Relevant National Policy and Guidance
  - Section 5 – Proposed Viability Approach and Assumptions
  - Section 6 – Site-Specific Viability Assessment: Chatham Waters Phase 2
  - Section 7 – Conclusions

### **3. Financial Viability in Planning: Conduct and Reporting (May 2019)**

- 3.1. This representation has been prepared in accordance with the RICS Professional Statement *Financial Viability in Planning: Conduct and Reporting* (1<sup>st</sup> edition) dated May 2019. This document sets out mandatory requirements on conduct and reporting in relation to financial viability assessments (FVAs) for planning in England to demonstrate how a reasonable, objective and impartial outcome should be arrived at.
- 3.2. Sections 2.1 to 2.14 of the Professional Statement set out fourteen mandatory reporting and process requirements for all FVAs and representations prepared on behalf of, or by applicants, reviewers, decision-makers and plan-makers. We confirm that this representation has been carried out in accordance with Sections 2.1 to 2.14 and the relevant mandatory reporting requirements are set out in Appendix 1.

## 4. Summary of Relevant National Policy and Guidance

- 4.1. The revised NPPF and PPGV have shifted focus away from site-specific viability assessments towards viability testing at the plan-making stage. As such, it is crucial that the inputs adopted in the Local Plan viability assessment are robust and market-facing to ensure that the viability of development is accurately assessed. This will help to ensure that the plan is deliverable and that policy requirements are set at an appropriate level.
- 4.2. Importantly, the PPGV was updated in May 2019 to emphasise the need for meaningful engagement between plan makers and industry stakeholders when preparing viability assessments. Paragraph 2 of the PPGV states that:

*“It is the responsibility of plan makers in collaboration with the local community, developers and other stakeholders, to create realistic, deliverable policies. Drafting of plan policies should be iterative and informed by engagement with developers, landowners, and infrastructure and affordable housing providers”.*

- 4.3. Paragraph 4 of the PPGV further states that plan makers will:

*“...engage with landowners, site promoters and developers and compare data from existing case study sites to help ensure assumptions of costs and values are realistic and broadly accurate.... Plan makers may then revise their proposed policy requirements to ensure that they are creating realistic, deliverable policies”.*

- 4.4. We strongly believe that such engagement is crucial to ensure that plan policies are realistic and deliverable. If the market-facing data and evidence provided by industry stakeholders is disregarded during the consultation periods, the viability assessment will not represent an accurate assessment of viability. This will have significant implications for the deliverability of the plan, as explained in further detail throughout this representation.

- 4.5. The NPPF and PPGV both emphasise the importance of robust evidence in informing the plan-making process. Paragraph 31 of the NPPF states that:

*“The preparation and review of all policies should be underpinned by relevant and up-to-date evidence. This should be adequate and proportionate, focused tightly on supporting and justifying the policies concerned, and take into account relevant market signals”.*

- 4.6. The PPGV (Paragraph 10) further states that:

*“Any viability assessment should be supported by appropriate available evidence informed by engagement with developers, landowners, and infrastructure and affordable housing providers”*

- 4.7. As will be demonstrated throughout this representation, HDH have failed to accord with the NPPF and PPGV requirements with many key assumptions insufficiently evidenced and several important omissions in the evidence base. Section 2.6 of the RICS Professional Statement *Financial Viability in Planning* also clearly states that “all inputs into an FVA must be reasonably justified”. We highlight the key evidential gaps and/or whether further justification is required throughout the following section of this representation.

- 4.8. The PPGV suggests that in assessing the viability of plans, not every site is required to be tested and plan makers can use site typologies to determine viability at the plan making stage (Paragraph 3). However, Paragraph 5 refers to Strategic Sites and states that:

*'Plan makers can undertake site specific viability assessment for sites that are critical to delivering the strategic priorities of the plan. This could include, for example, large sites, sites that provide a significant proportion of planned supply, sites that enable or unlock other development sites or sites within priority regeneration areas.'*

- 4.9. We note that HDH are proposing to undertake individual testing of Strategic Sites. This represents an appropriate approach and is welcomed by our client who own the Chatham Waters Phase 2 site. This land is specifically identified as a Strategic Site in the emerging Local Plan.
- 4.10. We emphasise that HDH must undertake comprehensive stakeholder engagement with the promoters/developers of the Strategic Sites to ensure that the site-specific viability assessments are robust and based on market-facing cost and value evidence specific to each site. We comment further on the site-specific testing in relation to our client's land interests in Section 6 of this representation.



## 5. Proposed Viability Approach and Assumptions

- 5.1. Within this section of the representation, we firstly summarise the key issues we have identified in respect of HDH's proposed approach to the viability testing and their appraisal assumptions. We then comment on each of the identified issues in greater detail and highlight where changes are required.

### Summary of Key Issues

- 5.2. Having reviewed HDH's pre-consultation draft viability assessment, it is clear that there are numerous inappropriate and/or insufficiently evidenced assumptions which require adjustment in order to produce a robust and market-facing viability assessment. This is crucial to promote accurate viability testing and the setting of realistic and deliverable plan policies.
- 5.3. The key issues which we have identified can be grouped under the following ten headings:
- Development Typologies
  - Market Housing Revenues
  - Affordable Housing Revenues and Delivery Assumptions
  - Standard Build Costs
  - Other Standard Development Costs
  - Abnormal Costs
  - Local Plan Policy Requirements (Including Nationally Described Space Standards) and Section 106 Contributions
  - Developer's Profit
  - Benchmark Land Value
  - Development Period, Delivery Rates and Cash Flows
- 5.4. At present, both we and our client hold significant concerns that the proposed assumptions will result in inaccurate viability testing as certain inputs have been set at unrealistic levels, meaning that the viability of development will be positively overstated. Consequently, policy requirements will be set at an unrealistic and unachievable level which will compromise site deliverability.
- 5.5. This will have significant implications at the application stage as developers will have no choice but to submit site-specific viability assessments which provide a true representation of development viability and which counter the inaccurate assumptions currently adopted by HDH. This will result in time and cost delays for both applicants and the local planning authority (LPA), and will slow the delivery of important new homes in the Medway district.
- 5.6. Accordingly, within the following sub-sections we comment on the assumptions adopted by HDH and we provide evidence to support more realistic and market-facing inputs to inform the Local Plan viability assessment.
- ### C&W Assessment of HDH Appraisal Assumptions
- 5.7. For ease of reference, we have structured this section of our representation according to the headings identified above at paragraph 5.3.

## Development Typologies

- 5.8. In order to assess site viability across Medway, HDH adopt 25 different site typologies, reflecting different sized greenfield and brownfield sites, and HDH formulate an assumed scheme for each site based on their assumptions in terms of density, housing mix and unit sizes. We have concerns regarding a number of the typology assumptions which are summarised under the sub-headings below.

### Evidence Base

- 5.9. HDH state that the typologies have been assessed using the Council's SHLAA dataset however HDH do not specify when the SHLAA dataset was published. Clarification is required as it is essential that the typologies are based on up-to-date local evidence.
- 5.10. HDH further state that the SHLAA is in the process of being updated. We therefore recommend that the typologies are reviewed and updated if required once the SHLAA has been refreshed to ensure that the typologies are representative of the sites likely to come forward across Medway during the plan period.
- 5.11. HDH state that the assumed typologies “*respond to the variety of development situations and densities typical in the area*” (paragraph 9.7) yet no evidence is provided to justify the density and site coverage assumptions for each typology. In particular, HDH have not benchmarked their assumptions against any recently consented new build schemes in Medway which is a serious omission in the evidence base. This analysis is essential to ensure that the assumed typologies are representative of development that has, and will come forward in the local area, and are therefore suitable for the local market.
- 5.12. As such, we strongly recommend that HDH undertake the necessary analysis of local new build schemes to inform their typology assumptions. The analysis should be provided on a clear and transparent basis to enable stakeholders to understand how the typologies have been established and how the assumptions link to actual market delivery in Medway. We reserve the right to comment further on the assumed typologies once this information has been provided.

### Brownfield Typologies

- 5.13. Table 9.1b sets out the assumed typologies for brownfield and greenfield sites. We have particular concerns regarding the assumed site density and coverage assumptions for six of the brownfield site typologies which appear very high. For ease of reference, we have repeated Table 9.1b below and we highlight the typologies of concern in orange shading:

Ref.	Site Typology	Net Site Area (Acres)	Units	Total NSA (sq. ft.)	Avg Unit Size (sq. ft.)	Density (Units Per Net Acre)	Coverage (NSA Per Net Acre)
1	Large Green 1,500	105.91	1,500	1,369,272	913	14.16	12,929
2	Large Green 400	28.24	400	364,914	912	14.16	12,920
3	Green 200	14.11	200	183,465	917	14.17	13,003
4	Green 100	7.07	100	92,725	927	14.15	13,121
5	Green 50	3.53	50	45,377	908	14.15	12,842
6	Green 30	2.13	30	28,040	935	14.12	13,195
7	Green 20	1.41	20	18,983	949	14.20	13,478
8	Green 12	0.84	12	11,623	969	14.28	13,835
9	Green 8	0.57	8	8,710	1,089	14.08	15,325
10	Green 6	0.42	6	6,126	1,021	14.28	14,584
11	Green 4	0.27	4	4,766	1,191	14.72	17,533
12	Brown V High Density 400	3.58	400	256,186	640	111.64	71,502

13	Brown V High Density 100	0.89	100	63,524	635	112.42	71,410
14	Brown High Density 400	5.49	400	257,863	645	72.92	47,007
15	Brown High Density 100	1.38	100	64,962	650	72.27	46,946
16	Brown Medium Density 100	2.59	100	64,287	643	38.54	24,778
17	Brown Medium Density 30	0.79	30	19,689	656	37.94	24,900
18	Brown 300	9.39	300	238,629	795	31.95	25,414
19	Brown 80	2.50	80	63,501	794	32.06	25,444
20	Brown 30	0.94	31	24,869	802	33.01	26,485
21	Small Brown 12	0.37	13	10,002	769	35.07	26,986
22	Small Brown 8	0.25	8	7,653	957	32.38	30,972
23	Small Brown 5	0.15	5	4,847	969	33.72	32,693
24	PRS HD 100	1.38	100	65,806	658	72.27	47,556
25	PRS MD 50	1.31	50	33,134	663	38.18	25,300

- 5.14. According to HDH's assumptions, the approximate density for these typologies equates to c. 32 – 35 units per net acre and the approximate site coverage equates to c. 25,400 – 32,700 sq. ft. per net acre. All six brownfield typologies appear to comprise c. 40-45% flattened units according to HDH's appended appraisals.
- 5.15. We would question whether it is appropriate to assume such a high proportion of apartments (and therefore very high densities and site coverage) on the six remaining brownfield typologies when HDH have already defined eight other brownfield typologies comprising 100% apartments. It is our view that such higher densities will only be suitable for a restricted number of typologies rather than all brownfield sites.
- 5.16. This is supported by the current new build asking prices presented by HDH (Appendix 7), where the majority of available units are houses rather than apartments. We have also utilised Rightmove to review the currently available new build units in Medway as at November 2019, according to which only 53 of the 194 available units are apartments (c. 27%).
- 5.17. We would therefore ask HDH to provide full details of the evidence used to inform the brownfield typology assumptions as the density and coverage for the six typologies identified above appear to be overstated. As a consequence, the viability of these brownfield typologies will be overstated. HDH need to transparently demonstrate that the assumed mix and quantum of development is appropriate for the local market and is consistent with permitted new build schemes in Medway. Importantly, it also needs to be demonstrated that the assumed schemes would actually physically fit on the site and would be acceptable in planning terms.
- 5.18. We reserve the right to comment on the assumed typologies once the above issues have been addressed. If HDH's review of consented new build schemes suggests that the density and coverage assumptions are too high, HDH must reassess the scheme assumptions for the brownfield site typologies to ensure a more realistic density and coverage which is aligned with consented new build development in Medway.

#### Apartment Typologies

- 5.19. HDH do not specify the storey heights for each of the apartment typologies. This is a crucial assumption which will impact on both the standard build costs for apartment schemes and the benchmark land value (BLV) (upon which further comments are made later in this representation).

- 5.20. Moreover, we cannot assess whether the density and coverage assumptions for the 'Medium Density', 'High Density' and 'Very High Density' typologies are appropriate without knowledge of the assumed storey heights for each typology. We again request clarity on the assumptions and we reserve the right to comment on the relevant inputs once known.
- 5.21. HDH state that they have made an allowance for circulation space in apartment schemes. However, the gross:net area assumptions are not specified and no evidence is provided to support the allowance made. From reviewing the appended appraisals, it appears that HDH have made an allowance of 10% for circulation space. Clarification is required.
- 5.22. If an allowance of 10% has been assumed, this is regarded as insufficient to accommodate the necessary space for communal areas, services and amenity space. In BTR schemes, we would expect additional amenities to be provided including resident lounges, gymnasiums, breakout areas etc. which would impair the gross:net area. The gross:net area is also further impaired by the provision of any basement and undercroft car parking. We further note that HDH have assumed a considerably higher 35% allowance for circulation space for the student accommodation cluster flat typology.
- 5.23. Based on our widespread experience of advising on residential apartment schemes for viability and valuation purposes, a reasonable gross:net allowance would be in the order of 25-30%. This is further supported by our client who, on a confidential basis, has provided details of the gross:net floor areas across a range of their recent and proposed apartment developments as shown below:

Scheme	Gross:Net Floorspace
Chatham Waters (PRS)	79%
Plaza 1821, Liverpool	79.5%
Media City Block B	79%
Ancoats Phase 5	74%
Manchester Waters	78%
Trafford Waters	79%

- 5.24. This evidence clearly illustrates that a 10% gross:net allowance is far too low. At present, therefore, the gross floorspace for the apartment typologies is understated which means that the total build costs will also be similarly understated. This, in turn, will lead to site viability being overstated. We therefore strongly recommend that HDH adopt a more realistic gross:net allowance based on the evidence presented above.

#### Gross and Net Site Areas

- 5.25. HDH state that they have applied a gross:net site area assumption of 60% to all residential typologies with the exception of small sites where the net developable area is assumed to be 100%. Table 9.1b is therefore incorrect as the 60% assumption has been applied to all sites. This error should be rectified in the report and appraisals.
- 5.26. We regard the application of a 60% gross:net site area assumption as reasonable for the purposes of the generic typology testing. However, the net site area for the site-specific assessments of each Strategic Site must be defined on a site-by-site basis having regard to the particular constraints affecting each site and any likely planning requirements. At our client's Chatham Waters Phase 1 scheme, for example, the net site area equates to c. 46% due to site constraints, including flood risk mitigation, and the extensive open space requirements under the planning consent.

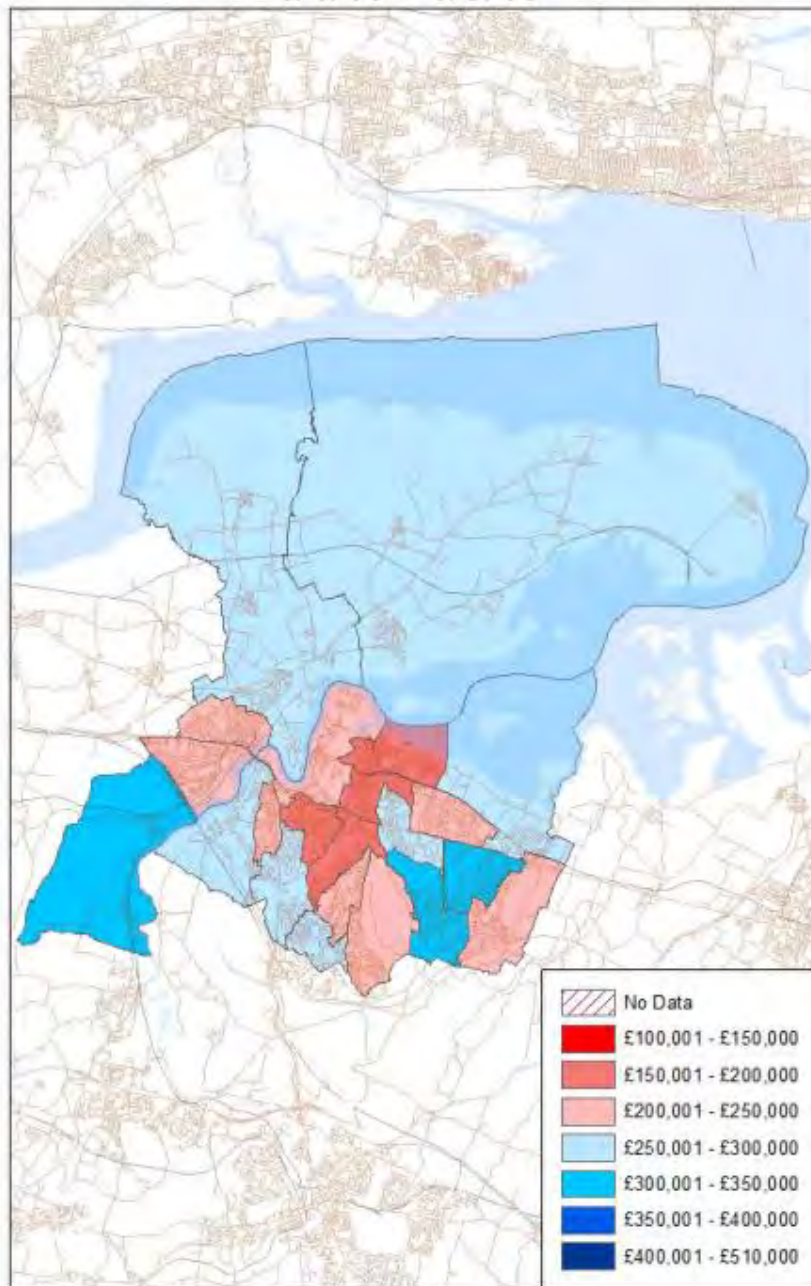
#### Chatham Core

- 5.27. HDH define two of the typologies as “Chatham Core” yet it is not stated where these typologies are actually located. Clarification is required and a clear map provided which defines the boundaries of Chatham Core.

#### **Market Housing Revenues**

- 5.28. The second key issue we have identified is the market housing revenues assumed within the viability assessment. HDH assume revenues for six different site types; ‘larger brownfield’, ‘smaller brownfield’, ‘urban flatted’, ‘large greenfield’, ‘medium greenfield’ and ‘small greenfield’.
- 5.29. In determining appropriate sales values, HDH state that values are more strongly influenced by site-specific characteristics and the nature of the immediate surrounding environment rather than by the particular location or postcode sector in which the site is located.
- 5.30. We strongly disagree with this assumption and there is a wealth of evidence presented in HDH’s viability assessment which clearly illustrates that residential values vary quite significantly across the district.
- 5.31. For example, at Appendix 5 of their report, HDH present various maps of average house prices for different house types across Medway which show a clear differentiation in values. According to this data, Medway is characterised by both affluent areas and lower value locations. To illustrate this point, one map extract from the HDH report is presented overleaf:

### Medway Council Median by Ward - All Sales 1/1/17 - 1/9/19



This data covers transactions received at Land Registry from 01/01/17 to 01/09/2019  
© Crown Copyright 2019. Contains Ordnance Survey data © Crown Copyright and Database Right 2019.  
Contains public sector information licensed under the Open Government Licence v3.0

- 5.32. Importantly, HDH clearly acknowledge this spatial variation in pricing, stating that “the geographical differences in prices are illustrated in the following maps showing the median price by ward” (paragraph 4.22). At paragraph 4.2, HDH further state that “there is marked variation in land values and residential property prices across the area”.



- 5.33. HDH then go on to assess the new build housing market and present Land Registry Average Price Paid Data for new build houses within Medway (Table 4.3), as well as new build asking prices as at September 2019 (Table 4.4). Again, this data illustrates a clear variation in achieved prices and asking prices for new build units across Medway.
- 5.34. For example, the average price paid for new build units ranges from c. £289 psf in Chatham to c. £358 psf in Gillingham. The asking prices range from c. £266 psf to c. £404 psf across the active schemes. HDH further state that *“the analysis of these shows that asking prices for newbuild homes vary, very considerably, starting at £150,000 and going up to £715,000”* (paragraph 4.30, C&W emphasis added). We note that the source of the floor areas for the currently available units is not specified. The source must be clarified for transparency purposes to enable the accuracy of calculations and information relied on to be checked.
- 5.35. Finally, within the Development Management site-specific viability assessments included in Table 3.1 of the report, the assumed sales values range from c. £179 – £468 psf.
- 5.36. Accordingly, HDH have provided their own widespread and compelling evidence to suggest that a range of value areas should be defined across Medway. This is crucial to ensure that the value profiles of different localities are appropriately reflected in the viability assessment and site viability in each location is therefore accurately tested.
- 5.37. However, HDH have fundamentally disregarded this evidence when defining the value areas and the market housing revenues. HDH have defined only three values areas (‘Waterfront’, ‘Higher Value’ and ‘Lower Value’) and, more importantly, there is minimal difference in their sales value assumptions for ‘Higher Value’ and ‘Lower Value’ areas as shown in the table below:

Typology	Higher Value (£ psf)	Lower Value (£ psf)	Difference (£ psf)
Large Brownfield	£334	£330	£4
Small Brownfield	£334	£330	£4
Urban Flatted	£334	£330	£4
Large Greenfield	£353	£334	£19
Medium Greenfield	£353	£334	£19
Small Greenfield	£372	£372	£0

- 5.38. By assuming such similar market revenues across the entire borough, HDH have overlooked important locational differences in value and the assumed revenues do not adequately reflect local market characteristics. We question why HDH have adopted a broad-brush approach when they have identified and acknowledged the clear locational variation in values across Medway. Both the number of value areas and the revenue differences between the value areas are insufficient based on the evidence presented in HDH’s report.
- 5.39. The current sales value assumptions will therefore lead to inaccurate viability testing as the values will not be reflective of actual achievable revenues in the different local markets across Medway. Most importantly, we consider that the assumed sales values are overstated for certain locations across Medway, meaning that site viability will be overstated and policy requirements will therefore be set at unrealistic and unachievable levels which will compromise site deliverability.
- 5.40. In particular, we regard the proposed revenues for the Waterfront value area (c. £362 psf) as far too high. Only those units located in prime, highly accessible Waterside locations, on the upper floors of

high rise schemes adjacent to the river could potentially achieve such values through location, height and aspect premiums.

- 5.41. To support our comments, we highlight the current asking prices (as at November 2019) on the X1 website for apartments at Chatham Waters Phase 1 which are as low as c. **£272 psf** before any incentive adjustment. This is considerably below the assumed revenues for the Waterfront value area and suggests that HDH's assumptions are overstated.
- 5.42. We therefore strongly recommend that HDH revisit the market revenue assumptions. We would suggest that the Waterfront revenues are reduced to market levels and that additional value areas are defined to reflect the different value areas across Medway. We would further suggest that there is an appropriate differential between the revenue assumptions for each value area to accurately reflect the range of achievable values across the district.
- 5.43. Notwithstanding the above, the actual value areas have not been spatially defined and it is not clear which locations will be included in each value area. We therefore cannot fully comment on the reasonableness of the revenue assumptions for each location until the value areas have been clearly defined. Clarification is required and a clear map provided to define the boundaries of each value area. We reserve the right to comment again on the assumed revenues once this information has been provided.
- 5.44. We do however highlight particular considerations relevant to the Waterfront location where there needs to be a clear differentiation in the revenues applied across this value area (depending on the extent of the area boundaries which require clarification). With increasing distance from the river, the scale of development will decrease which will impair the achievable values as there will be no height or aspect premiums.
- 5.45. Accordingly, we strongly recommend that a zonal approach to value is adopted, with the assumed revenues tapering down with increasing distance from the river and the reduced scale of development. We reserve the right to comment again on the assumed Waterfront revenues once HDH have provided their revised assumptions.
- 5.46. We also highlight the following other salient issues associated with the sales value assumptions:
- The revenue differentials are arbitrary. No explanation is provided as to why the differential between brownfield typologies and urban flatted typologies in higher and lower values areas is only c. £4 psf, whereas the differential between greenfield typologies in higher and lower values areas is c. £19 psf. No market evidence is provided to support these assumptions. A clear explanation is therefore required with substantiating evidence to demonstrate that the assumptions are robust.
  - HDH state that "*a slightly higher value has been attributed to the larger brownfield sites than the smaller brownfield sites due to the ability of the developer to create a sense of place*" yet the assumed values for all brownfield typologies are the same. We do not disagree with this approach however the error needs to be corrected.
  - There is no differentiation in the assumed sales values for the 'Small Greenfield' typology in higher and lower value areas. No explanation is provided to justify this assumption. This is clear inconsistency which must be addressed as there should be a reasonable revenue difference for all typologies in higher and lower value areas.
  - HDH imply that the typologies are assumed to comprise a mix of 2 storey and 2.5 / 3 storey units. However, HDH have not differentiated the sales values for 2.5 / 3 storey units which



typically achieve lower values on a rate psf basis as purchasers do not pay full value for the second storey accommodation. No details regarding the proportion of 2 storey and 2.5 / 3 storey units within each typology is provided. Clarification is required and the assumed sales values must be appropriately reduced for any 2.5 / 3 storey units within each assumed housing mix.

- 5.47. We request that the above issues and inconsistencies are addressed in the updated draft viability assessment. We reserve the right to comment again on the revised assumptions once known.
- 5.48. We further note that HDH are assuming NDSS-compliant unit sizes but have not confirmed whether the unit sizes of the achieved transactional evidence and the currently available units are NDSS-compliant. We request clarify on this point as the £ psm / £ psf values will generally be higher for smaller non-NDSS compliant units. Therefore, if the transactional data and available units predominantly comprise non-NDSS compliant units, the assumed £ psm / £ psf values will need to be reduced accordingly otherwise the end values will be overstated.
- 5.49. Finally, when analysing the asking price evidence, HDH assume a 2.5% discount to reflect sales value incentives based on their 'discussions' with sales offices/agents. No transparent evidence is provided to substantiate this assumption and HDH's comments represent hearsay only. We highlight in particular the following comment made by HDH at paragraph 4.32:
- "In most cases the feedback was that the units were 'realistically priced' or that as there is strong demand, significant discounts are not available. When pressed, it appeared that the discounts and incentives offered equate to about 2.5% of the asking prices".*
- 5.50. The above statement is **identical** to HDH's comments on discounts/incentives in their Halton Local Plan viability assessment (May 2019, paragraph 4.32) and their Cheshire East Local Plan viability assessment (June 2019, paragraph 4.34). We find it extremely difficult to believe that all sales agents, in three very different geographical locations, surveyed at different time periods, provided the **exact same comments** with regards to incentives.
- 5.51. For transparency purposes, we request that HDH provide a list of the agents contacted and a summary of their actual comments to verify their statement at paragraph 4.32. This information is also necessary to satisfy the national guidance regarding appropriate evidence and transparency as identified in Section 4.
- 5.52. As well as the questionable comments from sales agents, we regard an allowance of 2.5% for all cash and non-cash incentives as too low. Based on our extensive dialogue with developers currently active in the market, and from analysing their provided net achieved values (after all non-cash incentives and extras) against the gross asking prices, incentives in the order of 5% of asking prices are typically offered by developers to secure sales.
- 5.53. We note however that there has been a recent slowdown in the residential market over preceding months due to Brexit-related uncertainty and affordability issues which has reduced purchaser demand and house price growth, particularly in London and the South East<sup>1</sup>. As a consequence, developers are having to offer higher incentives and discounts in order to attract purchasers and secure sales.
- 5.54. We would suggest that HDH reflect the current market conditions within their sales values assumptions and ensure that a minimum incentive adjustment of 5% is made when analysing the asking prices. We request that HDH amend their sales values assumptions in light of the updated net asking price evidence.

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<sup>1</sup> See the RICS Residential Market Surveys published over the previous 6 months for a review of the recent market slowdown.

### Build To Rent (BTR)

- 5.55. HDH have assumed that all BTR schemes will comprise flatted developments located within or close to town centres. HDH have adopted rental values ranging from £650 – £1,300 pcm (1 – 4 bed units) and have capitalised the rental income using a gross yield of 5%. This results in a capital value of c. £285 psf for BTR units.
- 5.56. No transactional evidence is provided to support the assumed gross yield. HDH make only high-level reference to Savills and Knight Frank reports which are national reports that do not provide locally-specific evidence relevant to Medway.
- 5.57. Based on a 5% gross yield, the net yield would be in the order of c. 3.75% (assuming c. 25% operating costs) which is far too low for BTR development in Medway. In fact, this is 5 basis points below the London average net yield reported by Savills (2018) in the publication upon which HDH have relied, and 55 basis points below the average net yield for portfolio investment deals on new BTR stock reported in the same Savills publication. We further note that portfolio transactions often carry some premium as investors can ‘scale up’ and take advantage of economies of scale.
- 5.58. HDH acknowledge that the Council have not yet seen BTR schemes coming forward in Medway; indeed, our client is developing the first purpose built new build BTR scheme in the district. As such, the BTR market is largely untested in Medway and it is therefore unreasonable to assume prime yields for the purposes of the viability assessment.
- 5.59. We would also emphasise that for area-wide viability testing, it is considered best practice to adopt a more cautious approach where the assumptions incorporate a sufficient viability buffer so as to not test the margins of viability. HDH must have regard to such best practice in formulating their viability assessment assumptions.
- 5.60. To further support our comments, on a strictly confidential basis, our client has provided us with details of the forward funding deal which they have recently agreed for the BTR element at Chatham Waters Phase 1 (comprising 193 units). Peel have advised that the acquisition price for the BTR scheme reflected a gross yield of c. 6.25% and a capital value of c. £240 psf.
- 5.61. We note that the Phase 1 scheme is situated in a highly attractive waterfront location within close proximity to key amenities, excellent transport links, three major universities and two colleges. In addition, the scheme will be delivered to a high quality internal and external specification including a communal roof garden, and will benefit from the wider regeneration at Chatham Waters when practical completion is reached in 2021.
- 5.62. Accordingly, the achieved yield for the Phase 1 BTR scheme will only be achievable for similar high quality, well-located PRS schemes across Medway. For the purposes of the viability testing, we therefore strongly recommend that HDH adopt a minimum gross yield of 7% for the generic BTR typologies in order to reflect the range of BTR schemes which will come forward over the plan period. Any alternative assumption must be fully justified by local transactional evidence rather than high-level national reports.

### **Affordable Housing Revenues and Delivery Assumptions**

- 5.63. A third key issue we have identified relates to HDH’s assumptions in respect of affordable housing revenues which are set too high and do not reflect a market-facing position.
- 5.64. To determine the affordable housing revenues for all tenures, HDH adopt a rent and capitalisation approach. HDH provide no evidence to justify key valuation inputs including managements costs, voids and bad debts, and capitalisation rates. The assumptions are therefore unsubstantiated at present.

- 5.65. Furthermore, the assumed transfer values have not been benchmarked against any offers made by Registered Providers (RPs) for affordable housing in Medway. We regard the lack of locally-specific evidence including data and opinions from RPs active in the local market as a serious omission in the evidence base. This is crucial evidence which should be reviewed as the affordable housing transfer values must be reflective of actual local market realities.
- 5.66. In respect of the valuation inputs, we regard the 20% allowance for management, repairs, voids and bad debts for Social Rented and Affordable Rented units as too low. Based on the advice of C&W's in-house Social Housing team and from reviewing valuations prepared by other affordable housing specialists, we typically see total management, repairs and maintenance costs, voids and bad debts at a minimum of 25% – 30% of gross rent for housing, with a higher allowance for flatted units which are costlier to manage and maintain.
- 5.67. We therefore recommend that a minimum 25% – 30% allowance is applied within the valuation calculations which would reduce the net rental income and the subsequent capitalised value of the Rented units.
- 5.68. In addition, C&W's Social Housing team have advised that the capitalisation rate of 4% is far too low and does not reflect the additional covenant risk attached to the assumed RP purchaser. We are currently reviewing another large-scale area-wide assessment where capitalisation rates of 6% have been assumed for both the Rented and Intermediate tenures (where there is an assumed pre-sale to an RP). We consider this to represent a far more reasonable assumption and which accords with the recommended best practice cautious approach to area-wide viability testing as noted above.
- 5.69. To further sense-check the robustness of the HDH assumptions, we have analysed HDH's assumed affordable housing revenues as a percentage of Open Market Value (OMV). We have benchmarked the assumed revenues against the average of HDH's market revenue assumptions across the higher and lower value areas which equates to c. £345 psf.
- 5.70. On this basis, HDH have assumed the following affordable housing revenues as a percentage of OMV:

Affordable Housing Tenure	HDH Revenue Assumption	% of OMV
Social Rented	£140 psf	41%
Affordable Rented	£204 psf	59%
Intermediate	-	70%

- 5.71. Based on our market experience and the information we have received from currently active developers, we believe that the above revenues are set at an unrealistic level particularly for the Rented tenures. This is partly a consequence of the understated cost assumptions and the overambitious capitalisation rates as noted above.
- 5.72. To provide further evidence to support our position, on a strictly confidential basis, our client has provided us with a recent offer received from a local RP for the 25% affordable housing units at their Chatham Waters Phase 1 scheme. Our client has confirmed that the RP offer for the Rented units was based on Affordable Rents set at 80% of Open Market Rent (OMR). This supported a higher offer for the Rented units in comparison to an offer based on LHA-capped rents which would typically equate to c. 60-70% of OMR based on our client's local experience.

- 5.73. The affordable transfer values as a percentage of OMV for each tenure are summarised below:

Affordable Housing Tenure	RP Offer as % of OMV
Affordable Rented	45%
Shared Ownership	65%

- 5.74. This evidence clearly illustrates that HDH's revenue assumptions are overstated. It is also important to note that HDH have set the Affordable Rents at LHA caps. Their assumed affordable rents equate to c. 70% of their assumed market rents. Therefore, the lower affordable rents would impair the transfer values for the Affordable Rented units below the offer made by the local RP and further demonstrates that HDH's revenue assumptions are far too high.
- 5.75. We finally note that in the Medway Council Affordable Housing and CIL Viability Testing Report (GVA, January 2016), values of c. 25-40% of OMV were assumed for Affordable Rented units which is considerably below the values assumed by HDH.
- 5.76. In summary, we believe the above data clearly illustrates that HDH have overstated the affordable housing revenues, which, in turn, will result in the viability of development being overstated. We strongly recommend that the assumed affordable housing revenues are revisited and more appropriate assumptions are adopted based on locally-specific evidence. This is crucial to ensure accurate viability testing and the setting of realistic policy requirements.

#### Apartment Schemes – Practical Delivery

- 5.77. HDH have not commented on how affordable housing will be treated in for-sale apartment schemes which is an important consideration. HDH have assumed that the affordable housing for BTR schemes would comprise Affordable Private Rent (with rents set at 80% of OMR) which would enable single investor ownership and management of BTR schemes. Accordingly, our comments below relate to the viability testing for open market sale schemes only.
- 5.78. In our experience, affordable housing in for-sale flatted developments is often provided by way of financial contribution in lieu rather than on-site provision due to difficulties in respect of management, maintenance and service charges in mixed tenure blocks. The provision of mixed tenure blocks does not appeal to RPs and may also impact on the marketability and desirability of the scheme which would impair the achievable GDV. If affordable housing is provided on-site, it is therefore more appropriate to deliver separate affordable blocks however this will impact on scheme design, costings, delivery and viability.
- 5.79. To illustrate this point, we refer to our client's Chatham Waters Phase 1 development which comprises both an open market sale scheme and a PRS scheme. Under the approved planning permission, there is a requirement for 25% affordable housing across the entire Phase 1 development. To enable on-site provision of affordable housing, a specific agreement has been reached with the LPA whereby the 25% affordable housing will be delivered in separate blocks, rather than integrating the affordable housing across the market sale and PRS schemes so as to avoid the aforementioned management and maintenance issues.
- 5.80. We would ask HDH to confirm how affordable housing will be treated in for-sale flatted schemes and to clearly state their assumptions regarding on-site delivery or off-site financial contributions as this will impact on the viability position. We strongly recommend that any on-site affordable housing is modelled as separate blocks in order to more accurately reflect the likely delivery of on-site provision. We reserve the right to comment again on the assumptions once known.

## Standard Build Costs

- 5.81. The fourth issue we have identified relates to HDH's assumptions in respect of standard build costs which include the base build costs, external works, contingencies and professional fees. We summarise our key concerns under the sub-headings below.

### Base Build Costs and External Works

- 5.82. To determine the base build costs for housing and apartments, HDH state that they have adopted the BCIS Lower Quartile costs. However, the appended appraisals appear to be based on the Median costs. Clarification is required as the Lower Quartile costs would be considered far too low. We reserve the right to comment again on the assumptions once clarified.
- 5.83. If the Median costs have been adopted, we regard the standard build cost assumptions for houses as reasonable and we therefore restrict our comments to the cost assumptions for apartments only. To determine the standard build costs for apartments, HDH take the BCIS base build cost figures and they apply an allowance of 5-10% for external works depending on scheme size and density.
- 5.84. This results in the following total standard build costs for apartments\*:

Apartment Scheme Type	BCIS Lower Quartile (£ psf)	BCIS Median (£ psf)	Total 'All In' Standard Build Cost (Based on LQ) (£ psf)	Total 'All In' Standard Build Cost (Based on Median) (£ psf)
Generally	£135	£155	£142	£163
1-2 storey	£132	£149	£139	£156
3-5 storey	£135	£153	£142	£161
6+ storey	£165	£188	£173	£197

\*The above 'all in' standard build costs are based on 5% external works

- 5.85. Based on our own and our client's market experience, we consider that the base build costs are set too low for apartments and do not reflect the market position, particularly for high-rise schemes. We also regard the external works allowance as insufficient and we would expect to see external works at a minimum of 10-15% of base build costs for all apartment schemes.
- 5.86. Importantly, HDH have not differentiated the base build cost for apartment schemes in excess of 6 storeys which is a key limitation that needs to be addressed. It is inappropriate to apply the same base build cost to all 6+ storey schemes as the costs can increase significantly as storey height increases. This is due to factors including the more complex building structure, the need for enhanced mechanical and electrical services and enhanced fire precaution measures to satisfy building regulations.
- 5.87. Our client has extensive market experience in delivering high-rise residential schemes in both Medway and other dockside locations and has advised that build costs for schemes of c. 10-15 storeys are considerably higher than the build costs for 6-9 storey schemes. Peel have further advised that the costs for 15+ storey schemes are higher again due to the enhanced structural requirements, servicing and fire precaution measures noted above.
- 5.88. Our client's advice is consistent with that of our in-house Building Surveying team, as well as our own experience of assessing multiple high-rise residential schemes for valuation and viability purposes. We have been provided with detailed build costs for a wide range of apartment developments and we have identified a clear trend of increasing costs with increasing storey height.

- 5.89. It is also important to note that the BCIS database is predominantly based on build contracts submitted by local contractors for small schemes of c. 20 units or less which are often constructed on behalf of RPs. As such, the cost sample for '6+ storey' schemes is unlikely to include contracts from many, if any, high-rise developments of say 10 storeys or more. Therefore, the base build cost for 6+ storey schemes is unlikely to reflect the costs of delivering high-rise apartment schemes such as those which may come forward in Medway's town centres and the Waterside locations.
- 5.90. Accordingly, we would strongly recommend that HDH refine the build cost assumptions for apartments. As a minimum, we recommend that the following additional cost categories are included for apartment schemes:
- 6-9 storeys
  - 10-14 storeys
  - 15+ storeys
- 5.91. The methodology and evidence utilised to inform the cost assumptions for each scheme type should be provided for transparency purposes and to enable stakeholders to assess whether the costs are realistic and market-facing. We reserve the right to comment again on the standard build costs for flatted schemes once the assumptions have been refined and published for comment. We further note that HDH need to clarify the storey height assumptions for the apartment typologies as requested earlier in this representation.

#### Affordable Housing – Standard Build Costs

- 5.92. HDH state that the build cost for the affordable element is modelled at 90% of the base build costs for market housing. This is an inappropriate assumption and there should be no build cost differential between market and affordable housing.
- 5.93. In fact, the base build costs for affordable units can often be higher in comparison to market housing due to the need to satisfy RP requirements in respect of durability, specification and Lifetime Homes standards etc. No other LPA viability consultants discount the build costs for affordable housing and we request that HDH amend this assumption within the revised testing.

#### Contingency

- 5.94. HDH adopt a lower contingency allowance for greenfield sites of 2.5% in comparison to the 5% allowance for brownfield sites. The HDH assumption is that greenfield sites are 'straightforward' which justifies the lower contingency. This is a flawed assumption and in our opinion, it is inappropriate to alter the contingency allowance by site type. We regard a 5% allowance as the minimum acceptable provision for area-wide viability testing.
- 5.95. HDH have applied contingency to the standard build cost only. This is an incorrect assumption and contingency should be applied to the total standard build costs and abnormal costs.

#### Professional Fees

- 5.96. HDH have adopted a professional fee allowance of 9% of total build costs. This is regarded as a reasonable assumption for the smaller and mid-sized typologies. However, a higher allowance should be adopted for the larger typologies in excess of 300 units and the Strategic Sites to reflect the additional planning, design and promotional costs incurred on these sites.
- 5.97. This is consistent with the recommendations in the Harman Report (June 2012) whereby it is stated that:



*“Figures for fees relating to design, planning and other professional fees can range from 8 - 10% for straightforward sites to 20% for the most complex, multi-phase sites”.*

- 5.98. We therefore recommend that HDH alter the professional fee assumptions in line with this advice.

### Other Standard Development Costs

- 5.99. We generally regard the other standard development costs as reasonable with the exception of land acquisition costs. HDH assume an allowance of 1% for agent's fees and legal fees. This allowance should be set at 1.8% based on the standard market assumption of 1.2% for agent's fees and 0.6% for legal fees (inclusive of VAT).

### Abnormal Costs

- 5.100. Another fundamental error we have identified within the HDH viability assessment relates to the abnormal cost assumptions. HDH have assumed no abnormal costs for greenfield sites and have made a nominal allowance of only 5% of base build costs for brownfield site abnormal costs. We regard these assumptions as entirely inappropriate and will lead to site viability being significantly overstated.
- 5.101. This is reflected in the draft testing results which indicate that all greenfield site typologies are viable at full policy requirements. This is undoubtedly partially related to the exclusion of abnormal costs for greenfield sites as well as the other issues highlighted in this representation.
- 5.102. There are an array of potential off-site infrastructure / enabling abnormal costs and on-site specific abnormal costs which could be incurred on residential development sites in order to facilitate development. Examples of potential abnormal cost heads include:

Off-Site Infrastructure / Enabling Abnormal Costs	On-Site Specific Abnormal Costs
New Road Junctions	Demolition
New Spine Roads	Remediation
New Pedestrian / Cycle Crossings	Cut and Fill
Site Boulevards	Abnormal Foundations
Service Diversions	Retaining Walls
Other Off-site Utilities Infrastructure (eg. Primary Sub-Stations)	Surface Water Attenuation
One-sided Road Plotting	Pumping Stations
	Public Open Space
S278 Civil Works	Ecological Mitigation
	Extra-Over Elevational Treatments

- 5.103. We note that the above list is not exhaustive and represents an example of *some* of the multiple abnormal cost heads that would be incurred on residential sites.
- 5.104. We would strongly emphasise that if a reasonable abnormal cost assumption is not included in the Local Plan viability assessment, the value of the assessment will be highly limited as the findings will not provide a true reflection of market realities and site viability. The specific issues relating to the abnormal cost assumptions for greenfield sites, brownfield sites and Strategic Sites are summarised under the sub-headings below.

### Greenfield Sites

- 5.105. We regard the exclusion of abnormal costs for greenfield sites as a fundamental error which must be addressed. From our widespread market experience and work with a vast number of both landowner and developer clients, we have yet to come across *any* greenfield site with no abnormal costs and for HDH to assume that greenfield sites will not incur abnormal costs is entirely false.
- 5.106. To support our position, we refer to our internal abnormal cost database where we have monitored the abnormal costs we have recently experienced on a range of residential development sites (over 20 in total) as part of previous land disposals, expert witness work and viability assessments we have been involved in. The abnormal costs across the sites range from c. £120,000 - £540,000 per net acre / c. £10,000 – £50,000 per plot. This data includes abnormal costs submitted by developers for both greenfield and brownfield sites, but predominantly greenfield sites. The overall average abnormal cost across the sites equates to **c. £248,000 per net acre / £19,000 per plot.**
- 5.107. Furthermore, the industry best practice guidance in the Harman Report (2012) recommends strategic infrastructure costs in the order of £17,000 – £23,000 per plot to reflect the cost of providing serviced housing parcels. The Harman Report does not differentiate by site type (greenfield / brownfield) and recommends that the additional strategic infrastructure costs are applied to all sites. When indexed to the date of the viability assessment (October 2019) utilising the BCIS General Building Cost Index, the recommended costs equate to c. £19,900 – £26,900 per plot.
- 5.108. Accordingly, the above data clearly illustrates that HDH's assumption of no abnormal costs for greenfield sites is both misleading and highly inaccurate, and significantly overstates the viability of these sites. It is notable that HDH refer to the Harman Report (2012) multiple times throughout their report yet they have overlooked the key recommendations with regards to strategic infrastructure costs.
- 5.109. There is also an inherent contradiction in HDH's report with in respect of greenfield site abnormal costs. At paragraph 7.13, HDH suggest that abnormal costs would only be incurred on brownfield sites. However, at paragraph 6.20, HDH state that:
- "In relation to larger sites, and in particular larger greenfield sites, these have their own characteristics and are often subject to significant infrastructure costs and open space requirements which result in lower values"*
- 5.110. The infrastructure costs and open space requirements would be regarded as abnormal development costs. HDH have therefore clearly identified specific abnormal costs which would be incurred when developing greenfield sites. Accordingly, a reasonable abnormal cost allowance must be included in the viability assessment in order to accurately test site viability.

### Brownfield Sites

- 5.111. Based on the evidence presented above, we regard HDH's nominal abnormal cost allowance of 5% of base build costs for brownfield sites as entirely insufficient, particularly when considering the potential costly brownfield site constraints (eg. extensive contamination and adverse ground conditions) which must be addressed to enable residential development, alongside other abnormal costs typically incurred on development sites.
- 5.112. To calculate an approximate abnormal cost for brownfield sites, we have taken the HDH assumption of 5% of base build cost and we have assumed an average unit size of 1,000 sq. ft. for estate housing and 650 sq. ft. for apartments. We have applied the 5% allowance to the current BCIS Lower Quartile figures for estate housing (generally) and apartments (generally).



5.113. On this basis, the approximate assumed abnormal costs for brownfield sites are calculated as follows:

House Type	Average Unit Size (sq. ft.)	BCIS Lower Quartile (Generally) (£ psf)	5% of Base Build Costs (£ psf)	Total Abnormal Cost Per Plot
Estate Housing	1,000	£118	£5.91	1,000 x £5.91 = <b>£5,913 per plot</b>
Apartments	650	£135	£6.77	650 x £6.77 = <b>£4,401 per plot</b>

5.114. As the table illustrates, the approximate abnormal costs equate to c. £4,400 – £5,900 per plot. This allowance is far too low when benchmarked against the cost data presented above (paragraphs 5.106 – 5.107) and does not reflect actual market realities. Again, this results in the viability of development being fundamentally overstated. We therefore strongly recommend that a more realistic, market-facing abnormal cost allowance is assumed for both greenfield and brownfield sites.

#### Strategic Sites and Waterfront Locations

5.115. When assessing the abnormal costs for the larger Strategic Sites and those sites located in the Waterfront / dockside locations, HDH must acknowledge that these sites typically have much higher abnormal cost requirements due to the additional on- and off-site infrastructure requirements, as well as the need to address site-specific constraints such as flood risk mitigation in waterside locations.

5.116. To illustrate this point, our client has advised that on their current Chatham Waters Phase 1 scheme, the ground levels had to be raised by c. 1 – 2 metres to mitigate flood risk which was a substantial site-specific abnormal cost.

5.117. The additional abnormal costs incurred on larger Strategic Sites and sites in the Waterfront location must be accounted for both within the area-wide viability assessment and the site-specific assessments for the Strategic Sites, including our client's land interests at Chatham Waters Phase 2. The latter will require engagement with the stakeholders of each Strategic Site to obtain the detailed site-specific abnormal cost breakdowns and supporting cost evidence.

5.118. In summary, it is clear that HDH have fundamentally erred in respect of their abnormal cost assumptions for all site typologies. We would strongly recommend that appropriate abnormal costs are included within both the area-wide and site-specific viability assessments for all typologies. If these costs are not included, the viability assessment will significantly overstate site viability and policy requirements may therefore be set at unrealistic and unachievable levels.

5.119. Importantly, however, the abnormal costs will vary for different sites and it is not possible to accurately reflect such costs at the plan-making stage by adopting a single average abnormal cost assumption for each site typology. Therefore, it is essential that a **sensitivity analysis** is carried out on the average abnormal cost assumption to assess the impact on viability should the abnormal costs vary, which will inevitably be the case for many sites. If this analysis is not undertaken, it is highly unlikely that the Local Plan viability assessment will reduce the number of site-specific assessments in accordance with the aspirations of the PPGV.

#### **Local Plan Policy Requirements and Section 106 Contributions**

5.120. Within Section 8 of their report, HDH set out the emerging Local Plan policies which will impact on the viability of development and they outline their assumptions to test these policy requirements. We have identified several issues associated with HDH's assumptions which are summarised under the sub-headings below.

#### Housing Mix and Unit Sizes

- 5.121. The housing mix for each typology has been assessed using the Council's SHMA (2015) however it is stated that this document is in the process of being updated. We therefore recommend that the assumed housing mix is reviewed and updated if required once the SHMA has been refreshed to ensure that the assumptions are realistic and in line with local need.
- 5.122. However, the SHMA analysis alone is considered inadequate to inform robust, market-facing housing mix assumptions particularly given that the document was produced in 2015. As emphasised above, we strongly recommend that HDH review consented new build schemes in Medway to complement the SHMA analysis to ensure that the assumed housing mix is representative of development that has, and will come forward in the local area.
- 5.123. HDH have assumed unit sizes in line with the Nationally Described Space Standards (NDSS) or larger despite no requirement for NDSS in the emerging Local Plan. HDH have not benchmarked their assumptions against the unit sizes in consented new build schemes across Medway to assess whether the assumed unit sizes are realistic and market-facing.
- 5.124. At present, therefore, the proposed unit sizes are considered insufficiently evidenced and stakeholders cannot comment as to whether NDSS are appropriate for the local market. We request that the HDH undertake the necessary analysis and provide full details of the schemes analysed to enable stakeholders to assess the reasonableness of the unit size assumptions.
- 5.125. Notwithstanding this lack of information, both we and our client are concerned with the proposed application of NDSS to all site typologies. Based on our client's local market experience at Chatham Waters Phase 1, NDSS would not necessarily be suitable or appropriate for apartment schemes, particularly high rise development, as these schemes are typically designed with no inner hallway.
- 5.126. This is evidenced at Peel's Chatham Waters Phase 1 scheme, where the Council agreed to reduce the size of the PRS units below NDSS, noting the open plan nature of the proposed apartments. The hallway was not deemed an essential design feature and was therefore removed to provide a high quality rental product which maximises layout efficiency and amenity space through optimum open plan design. The PRS units at Phase 1 were accepted as following good design principles which respond to market demand.
- 5.127. We therefore regard the blanket application of NDSS to all typologies as inappropriate. We assume that the LPA will consider adopting the agreed dispensation at Chatham Waters Phase 1 on other new build apartment schemes delivered across Medway and this should be reflected in the viability testing for the relevant apartment typologies.
- 5.128. We further emphasise that the additional space required for the inner hallway would increase the total standard build costs however the provision of the hall would not generate any additional value. As such, the viability position would be impaired if NDSS were sought on all apartment schemes.
- 5.129. We finally note that for the PRS units, there is a discrepancy between the unit sizes specified by HDH in Table 4.9 and the unit sizes adopted in the appended appraisals. Clarification is required as to which unit sizes are being assumed for all apartment typologies (for-sale and PRS).

#### Section 106 Contributions

- 5.130. To account for the cost of complying with local policy requirements, HDH have adopted a Section 106 contribution of £5,000 per unit. In contrast, HDH state that the average contribution on recently approved schemes in Medway equates to c. £10,000 per unit whilst the Medway Guide To Developer Contributions and Obligations (2018) suggests an average contribution of c. £12,700 per unit.

- 5.131. HDH's allowance is therefore understated when compared to the provided evidence. Furthermore, many of the emerging Local Plan policy requirements would increase the development costs, yet HDH have not made any additional cost allowances for a number of the policy requirements including those related to design (eg. Building for Life), flood risk, SUDS and sustainable transport. The exclusion of these costs means that site viability is again being overstated and HDH's approach fundamentally contradicts their comment at paragraph 8.3 where they state that:

*"Only those policies that add to the costs of development over and above the normal costs of development are mentioned."*

- 5.132. In particular, we note that under the 'Flood Risk' policy heading, HDH acknowledge that the provision of SUDS to satisfy this policy requirement can add to the costs of the scheme. HDH state that such costs are included in the 5% abnormal cost allowance for brownfield sites. On greenfield sites, they assume that SUDS will be incorporated into the green spaces and be delivered through soft landscaping within the wider site costs.
- 5.133. We strongly disagree with this assumption. Within the previous sub-section of this representation, we have already clearly demonstrated that the 5% abnormal cost allowance for brownfield sites is entirely insufficient whilst it appears that HDH have not allowed for any costs to deliver SUDS on greenfield sites. At present, therefore, the development costs adopted by HDH are understated. We recommend that an appropriate, fully evidenced cost for SUDS is included in the viability testing for both greenfield and brownfield sites.
- 5.134. Furthermore, under the 'Transport' policy heading, it is stated that all schemes of 10 units or more are required to provide a Travel Plan. HDH acknowledge that there is a cost to satisfy this requirement however they assume that this is covered within the professional fee allowance.
- 5.135. We again regard this assumption as inappropriate. In all our past experience, the costs associated with providing a Travel Plan are included under the S106 contributions based on a relevant cost per unit and not in the professional fee allowance. We are currently working on various site-specific FVAs where we have been provided with proposed S106 contributions for the provision of a Travel Plan which range from £150 – £255 per unit. We regard an allowance of £200 per unit as reasonable for the purposes of the viability testing.
- 5.136. In Section 10 of their report, HDH state that car charging points are included in the appraisals based on full policy requirements. However, HDH do not specify a cost for providing car charging points. Clarification is required as to whether this policy requirement will be sought and if so, a fully evidenced cost assumption must be included in the viability assessment.
- 5.137. As well as the exclusion of costs for complying within certain policy requirements, there is a lack of robust evidence to justify a number of the cost assumptions for satisfying other policy requirements such as water efficiency and biodiversity net gain. We highlight in particular that the cost for providing the mandatory 10% biodiversity net gain under the Environmental Bill 2019 could be significant either through appropriate on/off-site mitigation and/or a reduced net developable area.
- 5.138. HDH have increased the assumed professional fee allowance from 8% to 9% to account for the biodiversity policy requirement and 'other policies'. No evidence is provided to support this assumption and stakeholders cannot have any confidence whatsoever that the allowance is sufficient. Moreover, no details are provided as to which 'other policies' are assumed to be covered by the professional fee cost increase. We therefore cannot comment on the reasonableness of the assumption and we regard the fee change as arbitrary and unsubstantiated.

- 5.139. In addition, we believe it is inappropriate to account for the biodiversity net gain costs within the professional fee allowance; instead, a separate and clearly evidenced cost should be included within the appraisals to transparently demonstrate the costs for complying with the net gain requirement.
- 5.140. In summary, it is clear that HDH's current cost assumptions for complying with local policy requirements are understated and insufficiently evidenced. We therefore recommend that HDH revisit the assumed S106 / policy costs and adopt appropriate costs which are sufficient to satisfy all local policy requirements. We request that a clear breakdown of the costs for complying with each policy requirement is provided in order to verify HDH's assumptions.
- 5.141. If this evidence is not provided and/or the cost allowance is proven to be insufficient in reality, it is crucial that policy requirements in respect of affordable housing are able to flex to offset any higher developer contributions required to comply with other policy requirements. Without this flex in policy, there is a significant risk that development viability will be fundamentally compromised and sites will not come forward for development.
- 5.142. HDH state that they have adopted costs for meeting the policy requirement in respect of Lifetime Homes Standards from the *Housing Standards Review – Final Implementation Impact Assessment* (DCLG, March 2015).
- 5.143. If HDH are to adopt the costs from this data source, the costs need to be indexed to the date of the viability assessment (October 2019) to account for cost inflation since March 2015. According to the latest BCIS General Building Cost Index, cost inflation between March 2015 and October 2019 equates to c. 13.7%.
- 5.144. We finally note that the assumptions for testing the viability of the proposed Open Space requirements have not yet been specified. Similarly, the range of cost scenarios for meeting Climate Change requirements are not specified. We therefore cannot comment on the reasonableness of the assumptions. In particular, it is not clear if any additional costs will be assumed for providing the necessary open space. Clarification is required and we reserve the right to comment on the assumptions once known.

### **Developer's Profit**

- 5.145. A further key issue we have identified is the developer's profit assumptions proposed by HDH. In our opinion, both the market housing profit assumption of 17.5% of GDV and the affordable housing profit assumption of 6% of GDV are too low and would not provide a sufficient return to incentivise development in the Medway district.
- 5.146. Below we provide a range of supporting evidence to demonstrate that the assumptions are not aligned with the market and that higher profit assumptions are justified.

### **Market Housing Profit**

- 5.147. In respect of market housing, it is widely recognised that a developer's profit (operating margin including overheads) of 20% of GDV is an appropriate position with a lower profit only justifiable if the scheme is particularly low risk and market conditions are favourable at the point of the assessment.
- 5.148. To support our position, we firstly highlight a wide range of Planning Inspectorate appeal decisions and recent CIL Charging Schedule examinations, including examinations after the introduction of the PPGV in July 2018, whereby a developer's profit of 20% of GDV for market housing has been deemed appropriate:

#### CIL Charging Schedule Examinations

CIL Report	Date	Reference	Examiner	Para.	Developer's Profit (including Overheads) for Private Housing
Rushcliffe	25/06/2019	No reference specified in Examiner report.	Terrence Kemmann-Lane	17	20% of GDV
Waverley	28/09/2018	PINS/R3650/429/9	Philip Staddon	39	20% of GDV
Gloucester, Cheltenham and Tewksbury	31/07/2018	PINS/B1605/429/1	Elizabeth C Ord	34	20% of GDV
Cotswold	05/06/2018	PINS/F1610/429/1	William Fieldhouse	19	20% of GDV
Basingstoke and Deane	20/02/2018	PINS/H1705/429/5	Louise Nurser	30	20% of GDV
Tamworth	13/02/2018	PINS/G4240/429/7	Yvonne Wright	27	20% of GDV
Warwick	23/10/2017	PINS/T3725/429/6	Michael Hetherington	13	20% of GDV
Cheshire West and Chester	15/06/2017	PINS/A0655/429/5	Mike Hayden	29	20% of GDV
Bradford	20/12/2016	PINS/W4705/429/8	Louise Nurser	28	20% of GDV

#### Appeal Decisions

Appeal Case	Appeal Date	Reference	Planning Inspector	Para.	Developer's Profit (including Overheads) for Private Housing
Selby	02/11/2016	APP/N2739/S/16/3149425	Brendan Lyons	40	20% GDV
Hampshire	02/03/2016	APP/B1740/W/15/3130227	Martin Andrews	12	20% GDV
Shinfield	08/01/2013	APP/X0360/A/12/2179141	Clive Hughes	44	20% GDV

- 5.149. In addition, we have monitored the developer's profit assumptions adopted for market housing in other recent area-wide viability assessments across England (published between August 2016 and August 2019). Of the 22 studies which we have reviewed, 18 of the studies adopted a developer's profit for market housing of 20% of GDV. HDH's assumption is therefore entirely inconsistent with other area-wide assumptions.
- 5.150. Further to this, from our experience, few volume housebuilders will sanction a land purchase which does not show a minimum of 20% profit on GDV. This is evidenced from the following schedule of gross profit margins and operating margins as extracted from recent PLC company accounts:

House Builder	Gross Margin	Overheads	Operating Margin
Bellway	25.80%	3.80%	22.00%
Persimmon	27.80%	3.00%	24.80%
Taylor Wimpey	24.80%*	4.70%*	20.80%
Redrow	25.00%	5.50%	19.50%
<b>Average</b>	<b>25.85%</b>	<b>4.25%</b>	<b>21.80%</b>

\* 2015 Figures

Source: Housebuilders Annual Statements 2016/2017

House Builder	Gross Margin	Overheads	Operating Margin
Bellway	25.85%	3.50%	22.35%
Persimmon	30.05%	3.50%	26.55%
Taylor Wimpey	26.00%	4.90%	21.10%
Redrow	24.40%	5.00%	19.40%
<b>Average</b>	<b>26.60%</b>	<b>4.25%</b>	<b>22.35%</b>

Source: Housebuilders Annual Statements 2017/2018

House Builder	Gross Margin	Overheads	Operating Margin
Bellway	25.50%	3.40%	22.10%
Persimmon	31.70%	2.75%	28.95%
Taylor Wimpey	26.30%	4.90%	21.40%
Redrow	24.40%	4.50%	19.90%
<b>Average</b>	<b>27.00%</b>	<b>3.90%</b>	<b>23.10%</b>

Source: Housebuilders Annual Statements 2018/2019

All figures in the above tables have been rounded to the nearest 5 basis points.

- 5.151. We also highlight the guideline profit range of 15-20% of GDV as set out in the PPGV (Paragraph 18). HDH refer to this guidance and state that their profit assumption of 17.5% of GDV *“is the middle of the range suggested in the PPG”* (Paragraph 7.32). This is incorrect and HDH’s assumption actually falls below the guideline profit range in the PPGV as explained below.
- 5.152. We have recently been advised by Ms Harriet Fisher, Team Leader – Developer Contributions at the Ministry of Housing, Communities and Local Government (MHCLG), who is part of the team monitoring the Local Plan viability assessments, in an email dated 19<sup>th</sup> September 2019 that this guideline profit range of 15 – 20% of GDV is exclusive of overheads:

*“As set out in the Planning Practice Guidance (PPG) on viability, for the purpose of plan making an assumption of 15-20% of gross development value may be considered a suitable return to developers in order to establish the viability of plan makers. Plan makers may choose to apply alternative figures where there is evidence to support this. Alternative figures may be appropriate for different development types.*

*Paragraph 12 of the PPG sets out costs to be considered separately to the return to the developer. The list of costs at paragraph 12 includes:*



- *professional, project management, sales, marketing and legal costs incorporating **organisational overheads** [Ms Fisher's bold] associated with the site. Any professional site fees should also be taken into account when defining benchmark land value".* (Ms Harriet Fisher, MHCLG, 19<sup>th</sup> September 2019).

- 5.153. Therefore, if a nominal allowance of say 5% for overheads was added to the guideline profit range, the developer's profit inclusive of overheads would equate to **20% – 25% of GDV** according to the PPGV.
- 5.154. On this basis, HDH's assessment of developer's profit of 17.5% of GDV (which must be inclusive of overheads as this cost is not accounted for elsewhere in their assessments) falls below the guideline range set out in the PPGV. This clearly illustrates that HDH must increase their assumed profit on market housing to a minimum of 20% of GDV to accord with the national guidance.
- 5.155. Finally, in formulating their profit assumptions, HDH should note both current residential market uncertainty and the impending Help to Buy reforms commencing from 2021 whereby regional price caps will be introduced and the scheme will be limited to first time buyers only. This will be followed by the withdrawal of the scheme in 2023.
- 5.156. It is widely recognised that Help to Buy has been a key driver of activity in the new build sales market, supporting c. 38% of all new build sales since the scheme was introduced in 2013<sup>2</sup>. As such, the impending restrictions, followed by the removal of the scheme, have the potential to significantly impact on the new build residential market across Medway. This could increase the sales risk associated with the delivery of new housing over the plan period and further justifies a higher profit than that currently assumed by HDH.
- 5.157. In light of the above evidence, we believe a developer's profit (including overheads) of 20% of market housing GDV is fully justified and represents the minimum return to ensure development remains attractive and deliverable in the Medway region. We strongly recommend that this profit assumption is adopted for the purposes of the viability testing.

#### **Affordable Housing Profit**

- 5.158. HDH adopt a profit of 6% of GDV for affordable housing. No evidence or rationale is provided to justify this assumption. We note that HDH's assumption is inconsistent with the affordable housing profit assumptions adopted in other recent area-wide assessments as shown below:

Local Plan / CIL Viability Assessment	Affordable Housing Profit
Cheshire East CIL Viability Assessment (Aug 2017)	20% of GDV
Cheshire West Local Plan Part 2 Viability Assessment (Dec 2017)	20% of GDV
Liverpool Local Plan Viability Assessment (October 2018)	20% of GDV
St Helens Local Plan Viability Assessment (December 2018)	20% of GDV
Rossendale Local Plan Viability Assessment (March 2019)	20% of GDV
Halton Local Plan (June 2019)	17.5% of GDV
Cheshire East Local Plan (June 2019)	17.5% of GDV

<sup>2</sup> Help to Buy: Equity Loan Scheme – Progress Review (June 2019) – National Audit Office

- 5.159. As the table illustrates, many consultants adopt a cautious approach in assessing the developer's profit and do not differentiate the market housing and affordable housing profit assumption. This can be considered an appropriate approach for area-wide viability testing as the assumptions should incorporate a sufficient viability buffer so as to not test the margins of viability as noted above.
- 5.160. Nevertheless, the principle of varying the developer's profit for market housing and affordable housing is accepted in the market as less risk is attached to the disposal of affordable units where there is an assumed pre-sale to an RP.
- 5.161. However, if a lower profit level for affordable housing is adopted by HDH, we consider 7-8% of GDV to represent the minimum acceptable return for the purposes of an area-wide viability assessment based on our market experience. If HDH are proposing to depart from this assumption, we request that full detailed evidence to support any alternative assumption is provided.
- 5.162. We would further note that our recommended affordable housing profit level is on the assumption that all units would be transferred to an RP upon completion. If the affordable housing comprises alternative tenures such as discounted market sale housing and/or there is no assumed pre-sale to an RP, then the profit level would need to be adjusted as there is no reduction in sales risk to the developer and a higher profit is therefore justified.

### Benchmark Land Value

- 5.163. A further issue we have identified relates to HDH's benchmark land value (BLV) assumptions. HDH have assessed the BLVs using the EUV+ approach which accords with the guidance in PPGV. However, there are two key issues associated with HDH's assumed BLVs; their approach to reflecting abnormal costs in the BLVs and the assumed BLVs for town centre / urban flatted typologies. We comment on these issues under the sub-headings below.

#### Abnormal Costs

- 5.164. A fundamental limitation associated with HDH's BLV methodology is their approach to reflecting abnormal costs in the assumed BLVs. At paragraph 7.11 of their report, HDH state that **all** abnormal costs should be deducted from the assumed BLVs to 'balance' the abnormal costs on both sides of the appraisal. This would result in much lower BLVs than those currently assumed by HDH.
- 5.165. This is an entirely flawed approach and a fundamentally incorrect interpretation of the PPGV. The guidance does not state that abnormal costs should be 'deducted' pound for pound from the land value, it states that the BLV should reflect the implications of abnormal costs.
- 5.166. As outlined above, *all* residential sites will have abnormal costs (even those sold as a fully serviced plot by a master developer as even these sites require bespoke plot abnormal costs eg. abnormal foundations, and the abnormal costs incurred by the master developer (eg. remediation, drainage) cannot be disregarded), with some higher than others depending on the site-specific constraints and condition of the ground.
- 5.167. Accordingly, the adopted BLVs must reflect an element of abnormal costs. Nevertheless, in circumstances where sites are subject to particularly high abnormal costs, it will be necessary to adjust the BLV to reflect the additional cost burden in accordance with the PPGV.
- 5.168. However, for **all** sites, even those with high abnormal costs, there remains a minimum value below which a landowner will not be incentivised to release their site for development. If deducting the abnormal costs tips the BLV past the point of providing a sufficient incentive and leads to land values which mean landowners will not sell, then this conflicts with the PPGV.



- 5.169. We would emphasise that if HDH's approach is followed, in many instances a landowner would receive a very low or zero value for their sites as the site-specific abnormal costs will exceed the assumed BLV. This does not accord with the PPGV and such values will not provide any landowner with sufficient incentive to release their land for development.
- 5.170. Therefore, if HDH's approach of deducting the abnormal costs from the BLV is to be adopted, the BLVs must be set at a much higher level with a sufficient buffer to allow for abnormal costs to be deducted and for the resultant BLVs to remain at a reasonable level which do not risk preventing site release. Alternatively, a reasonable abnormal cost assumption should be included in the viability assessment for all sites as recommended earlier in this representation.

#### Town Centre Sites and Medium / Higher Density Typologies

- 5.171. As well as the flawed abnormal cost methodology, we regard the assumed BLVs as insufficient for the eight medium and high density brownfield apartment typologies.
- 5.172. To determine the BLV for all brownfield typologies, HDH apply a 20% premium to the assumed site existing use value (EUV) which is based on industrial land values. However, both the EUV and the landowner premium applied to the medium and high density typologies must be higher than that applied to the other brownfield typologies for the reasons explained below.
- 5.173. At paragraph 4.35, HDH state that all medium and higher density urban flatted schemes are likely to be developed in town centre locations. Accordingly, the sites to be developed for these schemes will likely represent conversion and/or redevelopment of existing commercial uses such as retail or office, which would have a higher value than industrial land. This is confirmed through HDH's own commercial value assumptions as set out at Table 5.2 of their report:

Commercial Use	Assumed Capital Value (£ psm / £ psf)
Offices (Town Centre)	£2,750 / £255
Retail (Town Centre)	£3,100 / £288
Industrial	£1,725 / £160

- 5.174. The EUV of the town centre sites will therefore be considerably higher than industrial land. As such, it is inappropriate to apply an industrial land value to determine the EUV of the medium and higher density typologies. HDH acknowledge this principle at paragraph 6.11 whereby they state that a higher brownfield EUV is considered for city-centre<sup>3</sup> sites rather than industrial value, yet they have not implemented this approach when determining the EUV.
- 5.175. For these sites, we recommend that HDH adopt an EUV based on commercial values (eg. office / retail) rather than industrial land values otherwise the EUV (and therefore the BLV) will be understated. We reserve the right to comment on the assumed EUV once specified.
- 5.176. Secondly, the landowner premium applied to the EUV must be significantly higher than the 20% applied to the other brownfield typologies, as the medium and high density apartment schemes will generate considerably higher land values (on a per acre basis) in comparison to standard estate housing and low density flatted schemes. This is because the quantum of development can be significantly increased with no change in site area, meaning that the value per acre increases as the intensification of development increases.

<sup>3</sup> We assume the reference to "city-centre" in this paragraph is an error and HDH mean town centres, as there are no cities in Medway.

- 5.177. This is evident in the Land Registry residential land transactional data presented by HDH at Appendix 10 of their report. For example, the land at 21-23 New Road, Chatham, to be developed for 32 flats including 25% affordable housing (reflecting a site density of c. 185 units per acre), achieved a land value of c. £15,000,000 per hectare / c. £6,070,000 per acre. HDH have calculated a land value of c. £52,000,000 per hectare for this site (Appendix 10) however this appears to be a mathematical error based on the price paid data.
- 5.178. We also have detailed knowledge of transacted residential land values for high density schemes in other locations such as Manchester city centre which show significantly higher land values on an acreage basis in comparison to standard estate housing / low density flatted schemes in surrounding suburban areas.
- 5.179. Therefore, as the land value generated by the more intensified forms of development will be appreciably higher, the landowner premium must also be appreciably higher in order to incentivise a sale. The landowner premium also needs to be sufficient to incentivise release of the site for residential use rather than alternative competing non-residential uses (eg. office / retail) in town centre locations.
- 5.180. However, HDH have failed to acknowledge these principals and have applied the same minimum 20% premium to all brownfield typologies. As such, the BLVs for the medium and higher density brownfield typologies are currently significantly understated.
- 5.181. This has two potentially adverse implications; firstly, the viability of these typologies will be significantly overstated and policy requirements will therefore be set at unrealistic levels. Secondly, the landowners of these sites will not be sufficiently incentivised to release their land for development which will undermine land supply in key urban locations across Medway and, consequently, risks compromising the delivery of the Local Plan.
- 5.182. We further note that HDH's approach conflicts with that adopted in the Medway Council Affordable Housing and CIL Viability Testing Report (GVA, January 2016), where a considerably higher BLV was assumed for town centre sites (£1,400,000 per acre) in comparison to other sites (£150,000 – £450,000 per acre).
- 5.183. In addition, we highlight the BLVs assumed for brownfield city centre apartment typologies in other recent Local Plan / CIL viability assessments:

Local Plan / CIL Viability Assessment	BLV for Sites in City Centre (Per Acre)	BLV for Sites in Other Areas (Per Acre)
Liverpool Local Plan Viability Assessment (October 2018)	£750,000 – £1,000,000	£150,000 - £450,000
Leeds Economic Viability Study Update (January 2018)	£750,000	£150,000 - £200,000
Greater Manchester Spatial Framework Viability Assessment – Initial Consultation (October 2019)	£2,023,000 – £6,070,000	£89,000 - £212,000

- 5.184. As the table illustrates, the assumed BLVs for high density city centre residential typologies are considerably above the assumed BLVs for sites in other areas. Although these assessments were prepared for different geographical locations, the principal of varying the assumed BLVs to account for differences in development density is applicable to all sites irrespective of location.
- 5.185. We therefore strongly recommend that HDH adopt a similar approach in the Medway Local Plan viability assessment and apply higher BLVs for the 'Medium Density', 'High Density', 'Very High

Density' and 'PRS' typologies. The assumed premium for each of these typologies should be based on relevant transactional evidence to arrive at an appropriate uplift for each typology which is sufficient to incentivise site release. We reserve the right to comment on the revised assumptions once known.

### Development Period, Delivery Rates and Cash Flows

- 5.186. HDH have provided brief details regarding the assumed development periods for the site typologies however there is a lack of clarity regarding the assumptions.
- 5.187. We emphasise that the development period for each typology needs to be based on an accurate and realistic lead-in period having regard to the site size and the need for necessary infrastructure and enabling works, followed by a realistic build and sales period based on an appropriate sales rate. These are key assumptions which, together with the cash flow profiling, have a significant impact on the finance cost and the viability of a scheme.
- 5.188. HDH assume a pre-construction period of six months for all typologies. This is an unrealistic assumption for the larger sites where a longer pre-construction period would be required to allow sufficient time for the requisite enabling works, upfront infrastructure and site setup. The assumed main construction period for each typology is not specified. Clarification is required.
- 5.189. In respect of sales rates, HDH state that they have assumed a sales rate of 50 housing units per annum per outlet based on the assumption of 30% affordable housing which reflects c. 3 market housing per month. This is regarded as a reasonable market assumption for estate housing. However, if the percentage of affordable housing is reduced below 30%, then the sales rate assumption must also be reduced accordingly. Based on our experience and review of housebuilder trading statements, we regard a sales rate of 3 market houses per month as the maximum realistic achievable sales rate for standard estate housing schemes.
- 5.190. HDH further state that *"higher density flatted schemes are assumed to come forward more quickly"* however no further details are provided regarding the delivery assumptions. In addition, HDH do not provide any build out or delivery assumptions for BTR schemes.
- 5.191. We therefore request that the assumed lead-in period, main construction period and sales period for each typology is clearly defined as it is not possible for stakeholders to comment on unspecified assumptions. For ease and clarity, it would be appropriate for HDH to provide a simple table which sets out the lead-in period, main construction period and sales period for each typology. We reserve the right to comment again on the assumptions once known.
- 5.192. There is also a lack of clarity regarding the cash flow profiling including the distribution of the development costs and the timing of receipts for different tenures. These are crucial assumptions which impact on the finance cost and must be disclosed on a transparent basis, along with clear reasoning and justification for the adopted approach, to enable stakeholders to assess the robustness of the cash flow modelling.
- 5.193. In addition, the cash flow model utilised to run the appraisals is not specified. Clarification is again required. We strongly recommend that the appraisals are modelled utilising the Argus Developer software which is a recognised industry model that is widely utilised by practising valuers to ensure a rigorous and consistent approach to the finance modelling.

### Testing Results

- 5.194. We understand that the initial testing results are for draft purposes only and are subject to refinement following stakeholder consultation. However, we would highlight that HDH have presented only one

set of results in the draft viability assessment. This does not conform with the sales values assumptions, whereby HDH have defined three separate value areas (Waterfront, Higher Value and Lower Value).

- 5.195. We assume that this is an error in the reporting and that the results for all value areas (including any additional value areas to be added as recommended in this representation) will be published in the updated report.

### Scope for Community Infrastructure Levy

- 5.196. HDH state that one purpose of the Local Plan viability assessment is to review the scope for introducing CIL in Medway. This section of the viability assessment has yet to be fully completed and we therefore reserve the right to comment again on the scope for CIL once the testing has been undertaken. We do however highlight a number of important considerations with regards to the CIL testing.

- 5.197. As set out in the national CIL Guidance, the charging authority must recognise the need for an appropriate balance when determining CIL rates:

*“The authority will need to be able to show why they consider that the proposed levy rate or rates set an appropriate balance between the need to fund infrastructure and the potential implication for the economic viability of development across their area.”* (PPG for CIL, Paragraph 20).

- 5.198. It is therefore crucial that an appropriate viability buffer is applied when assessing the scope for CIL and setting rates to ensure that CIL does not compromise site viability. We understand that charging authorities in other locations have adopted buffers of approximately 50%.

- 5.199. In the Cheshire East CIL viability testing (August 2017, examined December 2018), for example, a 50% buffer was applied which the Examiner regarded as an “obvious necessity” to ensure that the proposed CIL rates did not compromise site viability. Similarly, in the Waverley CIL viability testing (November 2017, examined September 2018), a 50% buffer was adopted and deemed appropriate by the Examiner.

- 5.200. We also highlight the approach adopted in the Gloucester, Cheltenham and Tewksbury CIL viability testing (January 2016, examined July 2018), where a higher buffer was applied to Strategic Sites to provide greater scope to absorb changes in costs and values without compromising site viability. We regard this approach as appropriate due to the greater potential risks in respect of changing development costs for Strategic Sites in comparison to generic typologies.

- 5.201. We strongly recommend that HDH have regard to the approach adopted in other locations when determining an appropriate buffer for both the generic typologies and the Strategic Sites, including our client's land interests at Chatham Waters Phase 2. Given that HDH have adopted very low / nil abnormal costs in the generic typology viability testing, we regard a minimum buffer of 50% as a prudent assumption. For Strategic Sites, it would be sensible to adopt a higher buffer given the potentially greater uncertainty regarding the development costs.

- 5.202. HDH also consider two alternative approach to setting CIL as follows:

- Setting CIL at a rate which does not result in a fall in land prices of greater than “25% or so”; and
- Setting CIL at a rate which is no greater than “5% or so” of GDV.

- 5.203. No transparent evidence or justification is provided to support these alternative approaches with the exception of brief reference to one CIL examination (Greater Norwich). HDH acknowledge that this examination was specific to local circumstances and no firm conclusions were drawn regarding the reasonable reduction in land value which a landowner would accept. Therefore, we do not regard this examination as a robust source from which to justify any assumptions.
- 5.204. Furthermore, HDH's current assumptions are far too broad-brush; HDH cannot define the ranges as "X% or so"; this provides no clarity whatsoever as to the actual percentage figures which will be adopted. We request that this issue is rectified in the revised drafting.
- 5.205. We have not seen the two alternative approaches adopted in any other CIL viability assessments and there is a dearth of evidence to support appropriate assumptions for these approaches. We therefore strongly recommend that any proposed CIL rates are tested using a minimum buffer of 50% for the generic typologies with a higher buffer for Strategic Sites as advised above. This approach should take precedence over any other methodologies.
- 5.206. If any alternative approaches are adopted, we request that HDH provide full detailed evidence to justify the use of such approaches and appropriate assumptions for each.
- 5.207. HDH further state that the scope for CIL will be assessed on the assumption that the larger Strategic Sites will not be subject to extensive strategic infrastructure and mitigation requirements and that any required infrastructure / mitigation will be met through CIL and modest S106 contributions. We request confirmation from the Council that this will be the case and if not, HDH must build in appropriate infrastructure / mitigation costs for the Strategic Sites otherwise site viability will be significantly overstated. A clear definition of the strategic infrastructure and mitigation requirements also needs to be provided.
- 5.208. Finally, in light of the draft testing results, which indicate that all brownfield sites are not viable at full policy requirements, all brownfield sites should be excluded from any proposed CIL charge as there is evidently no scope for any CIL contributions from these sites. We do however reserve the right to comment again on this recommendation once the scope for CIL has been tested.

### **Commuted Sums**

- 5.209. In Section 10 of their report, HDH set out their proposals for calculating the commuted sum payment where affordable housing is provided off-site. To do so, HDH calculate the affordable housing land value impairment which is then divided by the total number of affordable housing units to calculate the impairment per plot. We regard this as a reasonable approach.
- 5.210. HDH suggest that the Council could adopt a 'standard commuted sum payment' for every site or calculate the payment on a site-by-site basis but do not recommend a specific approach. We reserve the right to comment again once the Council have defined the proposed approach.

## 6. Site-Specific Viability Assessment – Chatham Waters Phase 2

5.211. The comments in this representation largely relate to the assumptions proposed for the generic area-wide viability testing. At paragraph 2.16 of their report, HDH state that:

*“The potential Strategic Sites are tested individually. In due course, the Council will specifically engage with the promoters of the key sites in the Plan”.*

5.212. Both we and our client welcome this approach. It is imperative that detailed and accurate site-specific viability testing is undertaken for the Strategic Sites, including our client’s Chatham Waters Phase 2 site which is specifically identified as a Strategic Site in the emerging Local Plan. A plan of the site is attached at Appendix 2.

5.213. We understand that an initial meeting is scheduled between Peel, HDH and the Council on 14<sup>th</sup> November 2019 to discuss the approach to the site-specific testing for Chatham Waters Phase 2. The viability assessment for this site must be based on robust, market-facing cost and value inputs specific to this site. This includes a fully evidenced and robust allowance for the site-specific abnormal costs which is sufficient to address all constraints affecting the site.

5.214. Our client is in the process of preparing relevant supporting evidence to assist in defining the cost and value inputs for this site and welcomes the opportunity to work collaboratively with both HDH and the Council to formulate a robust site-specific assessment. We expect to submit further site-specific representations on behalf of our client to inform the viability testing for Chatham Waters Phase 2.

5.215. We emphasise that all comments raised in this initial representation should be given strong consideration in determining the approach and assumptions for both the generic area-wide testing and the Strategic Site testing. However, the assumptions adopted in the generic area-wide testing cannot take precedence when preparing the site-specific viability assessment for Chatham Waters Phase 2. All assumptions for the Phase 2 assessment should reflect the specific circumstances and constraints affecting this site to ensure accurate viability testing and the setting of realistic, deliverable policy requirements.

5.216. To assist the dialogue at the initial meeting on 14<sup>th</sup> November 2019, below we set out a summary of the key issues to be discussed in respect of the site-specific viability testing:

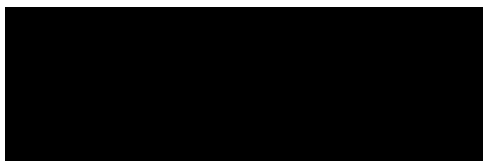
Viability Assessment Input / Assumption	Key Issues to Consider
Development Typology	Nature of assumed scheme (housing and apartments), assumed storey heights, densities, mix and unit sizes.
Market Housing Revenues	Zonal approach required with different revenues applied across the site depending on location, scale and type of development (housing and apartments).
Build to Rent	Appropriate rental and yield assumptions to ensure a realistic capital value. Site-specific evidence from Chatham Waters Phase 1 BTR scheme to be considered.
Affordable Housing Revenues and Delivery Assumptions	Consideration as to whether on-site or off-site provision will be modelled. For any on-site provision, realistic transfer values to be assumed and all affordable units to be modelled in separate blocks. If off-site provision is sought / required, the potential model for calculating the off-site contribution is to be discussed.

Standard Build Costs	Appropriate differentiation in standard build costs depending on house type and apartment storey heights.
Abnormal Costs	Robust and accurate abnormal cost allowance required based on site-specific cost evidence.
Local Plan Policy Requirements and Section 106 Contributions	Appropriate unit sizes to be assumed; the application of NDSS is not considered appropriate for apartment schemes particularly BTR development. Potential site-specific S106 contributions to be discussed.
Developer's Profit	Minimum profit of 20% on GDV to be applied to market housing. Minimum profit of 7-8% on GDV to be applied to affordable housing.
Benchmark Land Value (BLV)	Realistic BLV to be assessed based on market evidence of the site's EUV plus an appropriate premium. Assumed premium to reflect the scale of the proposed development.
Development Period, Delivery Rates and Cash Flows	Appropriate lead-in period, main build period and sales period for entire scheme required. Lead-in period needs to account for any required infrastructure and enabling works. Sales period needs to reflect likely phasing and delivery of housing and apartment blocks.



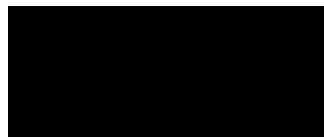
## 7. Conclusions

- 6.1. To conclude, both we and our client have significant concerns regarding the viability approach and many of the key assumptions currently proposed by HDH for the Medway Local Plan viability assessment.
- 6.2. Given the increased importance of the Local Plan viability assessment in the plan-making process, it is imperative that the adopted assumptions are realistic and market-facing to ensure that the viability of development is accurately tested. This will support the setting of reasonable and deliverable policy requirements and will help to reduce the number of site-specific viability assessments at the application stage in accordance with the aspirations of the PPGV.
- 6.3. As illustrated throughout this representation, however, it is evident that there are numerous unrealistic assumptions currently proposed by HDH which do not reflect a market-facing position. There are clear shortcomings in the viability approach and we consider that many of the key assumptions are inappropriate and/or insufficiently evidenced, as summarised in the table on pages 3 and 4 of this representation.
- 6.4. In our opinion, if the current inputs are adopted, the viability assessment will not provide an accurate or robust assessment of site viability which will result in policy requirements being set at unrealistic levels. This will lead to delays in sites being brought forward for development and risks compromising the delivery of the Local Plan.
- 6.5. Both we and our client therefore strongly recommend that HDH revisit the proposed assumptions within the viability assessment and give due consideration to the issues raised in this representation.
- 6.6. We welcome this opportunity for early engagement in the viability process however it is crucial that our client is given the opportunity to comment again on the area-wide assumptions once the issues identified in this representation have been addressed. This consultation will also be necessary to satisfy the requirements for adequate stakeholder engagement in accordance with the PPGV.
- 6.7. In addition, our client welcomes the opportunity for early and continued engagement regarding the site-specific viability assessment for their Chatham Waters Phase 2 site to ensure that the viability inputs for this assessment are robust and market-facing.
- 6.8. Should HDH and/or the Council have any queries in respect of the matters raised in this representation and/or require any further information, please do not hesitate to contact us through the details below.
- 6.9. Signed for and on behalf of Cushman & Wakefield Debenham Tie Leung Limited



**Derek Nesbitt, MRICS APAEWE**

Partner  
RICS Registered Valuer



**Hannah Gradwell, MRICS**

Senior Surveyor  
RICS Registered Valuer



**Date:** November 2019



## **Appendix 1 – RICS Professional Statement: Financial Viability in Planning – Mandatory Reporting Requirements**

The relevant mandatory reporting requirements specified in the RICS Professional Statement *Financial Viability in Planning: Conduct and Reporting* (1<sup>st</sup> edition) are set out below.

### **2.1: Objectivity, Impartiality and Reasonableness Statement**

We confirm that this representation has been prepared by RICS members who have acted with objectivity, impartiality, without interference and with reference to all appropriate available sources of information.

### **2.2: Confirmation of Instructions and Absence of Conflicts of Interest**

Our formal terms of engagement are appended to the rear of this report.

We are currently advising, and have previously advised the client on various site-specific FVAs in support of planning applications for residential development. We have also previously advised the client in respect of representations to area-wide viability assessments.

However, we do not consider that any conflict of interest, or risk of conflict of interest, arises as a result of the interests which we have disclosed.

### **2.3: No Contingent Fee Statement**

In preparing this representation, no performance-related or contingent fees have been agreed.

### **2.5: Confirmation Where the RICS Member is Acting on Area-Wide and Scheme-Specific FVAs**

As outlined above, we are currently advising, and have previously advised the client on several site-specific FVAs in support of planning applications for residential development, and on representations to area-wide viability assessments.

In addition, we are advising the LPA on an update to the emerging Warrington Local Plan viability assessment. We are also advising developers on the emerging Halton Local Plan viability assessment and the emerging GMSF viability assessment, and we have recently submitted representations in respect of the affordable housing policy requirements in the emerging Lancaster Local Plan.

Again, however, we do not consider that any conflict of interest, or risk of conflict of interest, arises as a result of the interests which we have disclosed.

### **2.6: Justification of Evidence**

All inputs into this representation have been reasonably justified (having regard to the significant time constraints for responding to the consultation) as explained in further detail throughout this document.

### **2.10: Engagement**

We confirm that we have advocated, and will advocate reasonable, transparent and appropriate engagement between the parties at all stages of the viability process.

## **2.14: Timescales**

We do not believe that the timescales for responding to this initial consultation have been reasonable. We have been provided with only a very short window of opportunity to review a significant number of proposed assumptions for a large-scale viability assessment.

The very limited timescales have made it difficult to provide meaningful, substantiated responses on certain points as we have not had sufficient time to fully review the assumptions and compile all necessary supporting evidence.

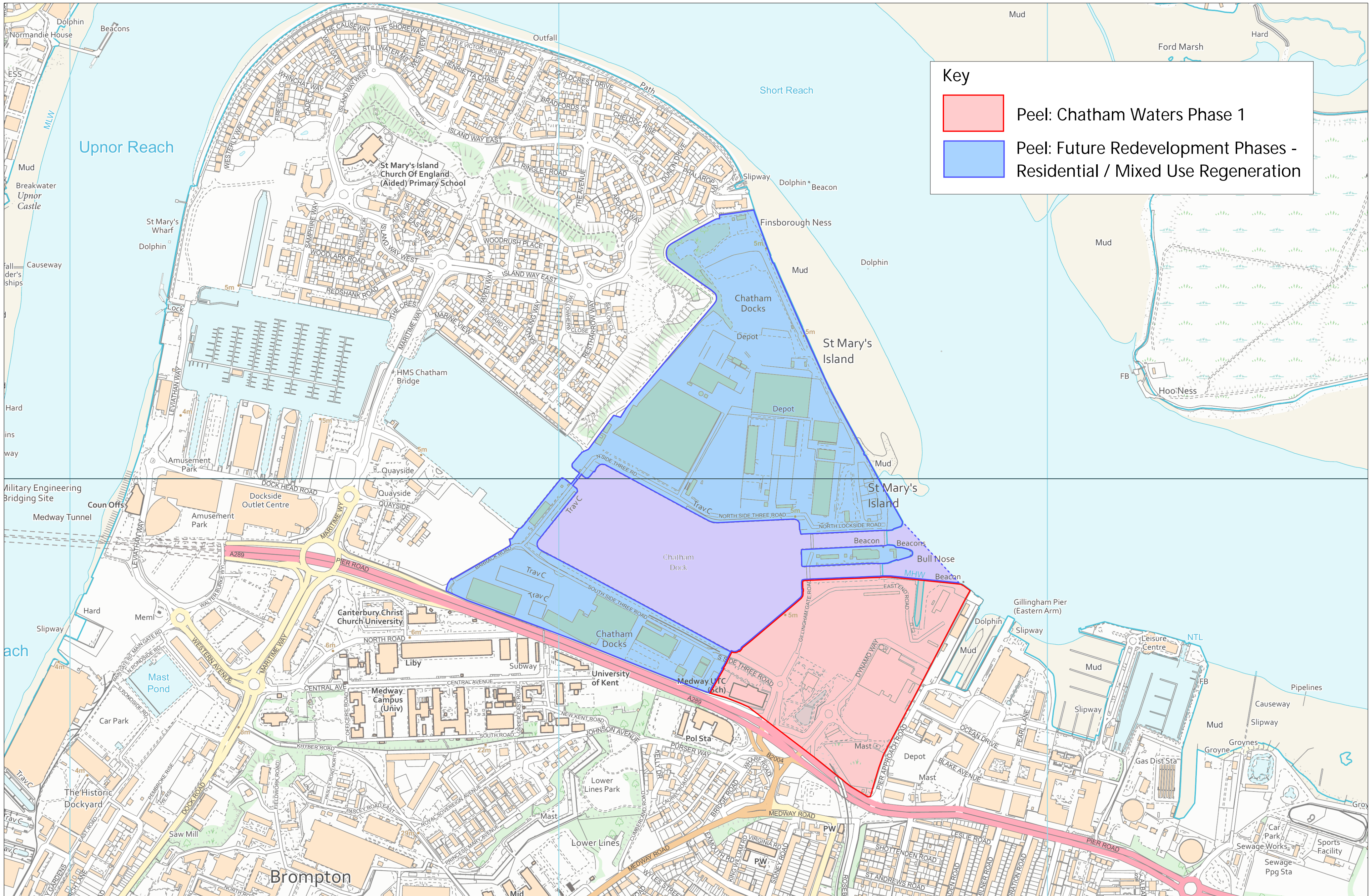
Accordingly, we fundamentally emphasise the need for further engagement to be undertaken where stakeholders are provided with a more reasonable time period to respond to the assumptions and information provided.

### **Section 4 – Duty of Care and Due Diligence**

We finally confirm that this representation has been carried out in accordance with Section 4 – Duty of Care and Due Diligence of the Professional Statement and that full consideration has been given to the matters referenced in Section 4.

## **Appendix 2 – Chatham Waters Phase 2: Site Plan**







## **Appendix 3 – Terms of Engagement**

29 October 2019

Your Ref: PL47899

Our Ref: DRN/HG/kjm/191GFM00

Peel Property Intermediate Limited  
Peel Dome  
intu Trafford Centre  
Manchester  
TRAFFORDCITY  
M17 8PL  
**For the Attention of: Neil Baumber**

Dear Sirs,

**Medway Local Plan Viability Assessment**

We are delighted that you have chosen Cushman & Wakefield to work with you in relation to the above matter. The schedule to this letter details the services we will provide, the basis of our appointment, our fees and anticipated expenses, together with other information relevant to our services (the "**Services Schedule**" and together with this letter, the "**Engagement Letter**").

Enclosed are our standard terms of business containing exclusions and limitations on our liability and detailing our respective obligations (the "**Terms of Business**") which, together with the Engagement Letter, comprise the terms of our engagement (the "**Engagement**"). Please take a moment to check that you are happy with the contents of the Engagement Letter, the Services Schedule and the Terms of Business and understand the basis of the Engagement.

I will have overall responsibility for the provision of our services to you, assisted by Hannah Gradwell MRICS and the wider residential team and such other professional staff as it may be appropriate for us to involve. Hannah will be your first point of contact on this matter.

I should be grateful if you would return a signed and dated a copy of the Engagement Letter as soon as possible to confirm that you accept the basis of the Engagement. Please be aware that your continuing instructions in relation to this matter will amount to your acceptance of the terms of the Engagement. If there is any matter that requires clarification please do not hesitate to contact me.


Yours faithfully,

  
**Derek Nesbitt MRICS APAEWE**

**Partner**

**RICS Registered Valuer**

For and on behalf of Cushman & Wakefield Debenham Tie Leung Limited



### Acceptance of Cushman & Wakefield Engagement Letter and Terms of Business

I have read the Engagement Letter (including the Services Schedule and incorporating the Cushman & Wakefield Terms of Business (Version 2.01 – May 2018) and hereby accept the terms and confirm this Engagement.



Date: 29.10.2019.

**Neil Baumber**  
**Director of Development - Residential**  
**For and on behalf of Peel Holdings (Land and Property) Limited**

CUSTOMER INFORMATION FORM			
<b>COMPANY &amp; VAT INFORMATION</b>			
<u>Company or Entity:</u>			
LLP	<input type="checkbox"/>	PLC – Listed	<input type="checkbox"/>
Local Central Government	<input type="checkbox"/>	PLC – Not Listed	<input type="checkbox"/>
Limited	<input type="checkbox"/>	Private Individual	<input type="checkbox"/>
Overseas Registered Company	<input type="checkbox"/>	Private Unlimited Company	<input type="checkbox"/>
Partnership	<input type="checkbox"/>	Registered Charity	<input type="checkbox"/>
Pension Scheme	<input type="checkbox"/>	Sole Trader	<input type="checkbox"/>
		Trust	<input type="checkbox"/>
<b>Full Trading Name:</b>			
<b>Full Address:</b>			
<b>Company Registration No:</b>			
<b>VAT No:</b>			
<b>Company Registered Address:</b>			
<b>Contact Name and Telephone No:</b>			
<b>Email Address:</b>			
<b>ACCOUNTS PAYABLE INFORMATION</b>			
<b>Address (including postcode):</b>			
<b>Contact Name and Telephone No:</b>			
<b>Email Address:</b>			
<b>Purchase Order Number (if applicable):</b>			
<b>SPECIFIC BILLING INSTRUCTIONS</b> <i>(Please use this section to identify any specific billing requirements):</i>			

## **Appendix 2 – Site Plan**





### Appendix 3 – Housing Mix Assumptions

Low-Mid Rise (3-5 Storey)			
Type	No.	Avg Unit Size (sq. ft.)	Total NSA (sq. ft.)
Market Housing			
1 bed	127	484	61,516
2 bed	381	700	266,570
3 bed	888	818	726,441
<b>Sub-total</b>	<b>1396</b>	<b>755</b>	<b>1,054,528</b>
Affordable Housing			
1 bed	325	431	139,932
2 bed	381	657	250,166
3 bed	381	797	303,480
<b>Sub-total</b>	<b>1087</b>	<b>638</b>	<b>693,578</b>
High Rise			
Market Housing			
1 bed	127	484	61,516
2 bed	254	700	177,714
3 bed	761	818	622,547
<b>Sub-total</b>	<b>1142</b>	<b>755</b>	<b>861,777</b>
<b>Total</b>	<b>3625</b>	<b>720</b>	<b>2,609,882</b>

Overall Scheme		
1 bed	579	16%
2 bed	1016	28%
3 bed	2030	56%
<b>Total</b>	<b>3625</b>	<b>100%</b>

\*Storey height not defined – clarification required

## **Appendix 4: RICS Professional Standard: Financial Viability in Planning – Mandatory Reporting Requirements**

The relevant mandatory reporting requirements specified in the RICS Professional Standard *Financial Viability in Planning: Conduct and Reporting* (1<sup>st</sup> edition) are set out below.

### Section 2.1: Objectivity, Impartiality and Reasonableness Statement

We confirm that this representation has been prepared by RICS members who have acted with objectivity, impartially, without interference and with reference to all appropriate available sources of information.

We further confirm that the RICS members are suitably qualified practitioners and RICS Registered Valuers with sufficient skills, expertise and knowledge to prepare a robust and objective representation.

### Section 2.2: Confirmation of Instructions and Absence of Conflicts of Interest

Our terms of engagement are appended to the rear of this representation.

We have previously advised the Client on site-specific FVAs in support of planning applications for residential development. We have also previously advised the Client in respect of representations to area-wide FVAs including in relation to Medway in 2019. We do not consider that any conflict of interest, or risk of conflict of interest, arises as a result of the interests which we have disclosed. We therefore confirm that, to the best of our knowledge, no conflict of interest, or risk of conflict of interest, arises in preparing the advice requested.

### Section 2.3: No Contingent Fee Statement

In preparing this representation, no performance-related or contingent fees have been agreed.

### Section 2.5: Confirmation Where the RICS Member is Acting on Area-Wide and Scheme-Specific FVAs

As outlined above, we have previously advised the Client on site-specific FVAs in support of planning applications for residential development and representations to area-wide FVAs. We are advising the following LPAs in respect of the area-wide FVA to assist in formulating policy in their emerging Local Plans:

- Wakefield Council
- South Tyneside Council
- Solihull Metropolitan Borough Council

We are also advising developers in respect of representations to the following area-wide FVAs:

- Lancaster Local Plan Viability Assessment
- Copeland Local Plan Viability Assessment
- Trafford Design Code Viability Assessment

Again, however, we do not consider that any conflict of interest, or risk of conflict of interest, arises as a result of the interests which we have disclosed.

#### Section 2.6: Justification of Evidence

All inputs into this representation have been reasonably justified as explained in further detail throughout this document.

#### Section 2.10: Engagement

We confirm that we have advocated, and will advocate reasonable, transparent and appropriate engagement between the parties at all stages of the viability process.

#### Section 2.14: Timescales

We confirm that adequate time has been allowed to produce an initial summary representation with our headline summary comments.

#### Section 4: Duty of Care and Due Diligence

We confirm that this representation has been carried out in accordance with Section 4 – Duty of Care and Due Diligence of the Professional Standard and that full consideration has been given to the matters referenced in Section 4 (noting that the evidence base is heavily out of date).

## **Appendix 5 – Terms of Engagement**

Peel L&P Group Management Ltd  
Evolve, Red Road  
MediaCity  
Salford  
M50 2TG  
**For the Attention of: Leigh Thomas**

DRN/HG/RAH/243KUE00

22 August 2024

Dear Leigh,

**Medway Local Plan - Viability Representations**

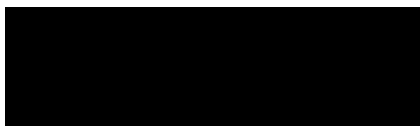
We are delighted that you have asked Cushman & Wakefield to provide a fee proposal in relation to the above matter. The schedule to this letter details the services we will provide, the basis of our appointment, our fees and anticipated expenses, together with other information relevant to our services (the "Services Schedule" and together with this letter, the "Engagement Letter").

Enclosed are our standard terms of business containing exclusions and limitations on our liability and detailing our respective obligations (the "Terms of Business") which, together with the Engagement Letter, comprise the terms of our engagement (the "Engagement"). Please take a moment to check that you are happy with the contents of the Engagement Letter, the Services Schedule and the Terms of Business and understand the basis of the Engagement.

I will have overall responsibility for the provision of our services to you, assisted by Hannah Gradwell, MRICS and such other professional staff as it may be appropriate for us to involve. Hannah will be your first point of contact on this matter.

Should you wish to instruct Cushman and Wakefield on this matter, I would be grateful if you would return a signed and dated a copy of the Engagement Letter as soon as possible to confirm that you accept the basis of the Engagement. Please be aware that your continuing instructions in relation to this matter will amount to your acceptance of the terms of the Engagement. If there is any matter that requires clarification, please do not hesitate to contact me.

Yours faithfully,



**Derek Nesbitt MRICS APAEWE**  
**Partner**  
**RICS Registered Valuer**

For and on behalf of Cushman & Wakefield Debenham Tie Leung Limited





## **Acceptance of Cushman & Wakefield Engagement Letter and Terms of Business**

I have read the Engagement Letter (including the Services Schedule and incorporating the Cushman & Wakefield Terms of Business (Version 3.3 - June 2023) and hereby accept the terms and confirm this Engagement.

---

**Leigh Thomas**  
**Development Director**  
**For and on behalf of Peel L&P Group Management Ltd**

**Date:** \_\_\_\_\_



planning  
transport  
design  
environment  
infrastructure  
land

# **Medway Council Regulation 18 Consultation Response**

## **Land at Lower Featherby Road**

**LAA SITE REF: RN34**

**REGULATION 18a CONSULTATION ID: 1547**

**REGULATION 18B CONSULTATION ID: 2774**

**CLIENT: HRF Properties Ltd**

September 2024

DHA Ref: JAC/OR/32301



# 1 OVERVIEW

## 1.1 SUMMARY

- 1.1.1 This representation has been prepared on behalf of our client, HRF Properties Ltd, in respect of the ongoing Medway Council Regulation 18b Consultation ('Medway Local Plan 2041') and in relation to the site 'Land at Lower Featherby Road'.
- 1.1.2 Representations have previously been prepared for the Regulation 18a consultation in 2023.
- 1.1.3 The Council have identified the site as RN34, while the Regulation 18a consultation response ID was 1547.

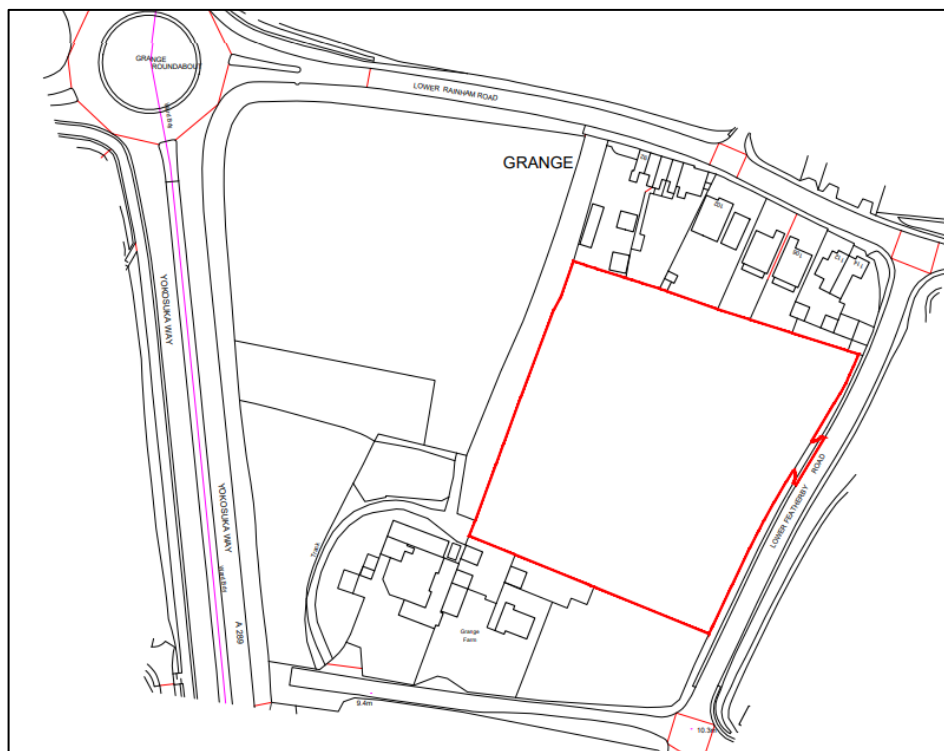


FIGURE 1: SITE LOCATION PLAN.

- 1.1.4 The current consultation builds on the responses to the consultation 'Setting the Direction for Medway 2040' in Autumn 2023 (i.e. Regulation 18a), in defining the vision and strategic objectives for the new Local Plan. The current consultation provides more information on proposed policies and options for a development strategy, including the potential sites and broad locations that could form allocations for development in the new Local Plan covering the period up to 2041.

1.1.5 The response is set out in the following structure:

- Chapter 1 – Overview and introduction
- Chapter 2 – Sets out our client's response to the consultation (structured by relevant objectives/policies);
- Chapter 3 – Provides site specific comments.

## 2 CONSULTATION RESPONSE

### 2.1 SECTION 2.1 VISION FOR MEDWAY 2041

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- 2.1.1 The vision is contrary to the requirements of the NPPF (para 15), the “Vision” fails to identify the provision of housing as an important component of the Plan as set out in the vision under paragraph 2.1.1 of the consultation document. Delivering an authority’s housing need is a central component of any Local Plan and a determinative matter for the spatial strategy. In not expressing the amount of development that is to be delivered in relation to housing, the Plan also fails to be positively prepared to provide a suitable framework for addressing housing.
- 2.1.2 The “Vision” should be amended to reference housing provisions. The Interim Sustainability Appraisal sets out in Table 5.1 the proposed growth options for Medway, of which Strategic Growth Option 3(SGO A3), the Blended Strategy, is the Council’s preferred approach which sets out that Medway can deliver up to 23,733 homes across the plan period. This is 4,267 homes under the need of around 28,000 homes set out in the executive summary of the regulation 18b consultation document and 4,579 dwellings below that previously anticipated in the previous Regulation 18a consultation document.
- 2.1.3 Based on the evidence provided, we do not feel there is justification for the plan to not provide for the full assessed need.

### 2.2 SECTION 2.2 STRATEGIC OBJECTIVES

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#### **Prepared for a sustainable and green future**

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- 2.2.1 Notably, no strategic objective deals expressly with the amount of housing that needs to be delivered. In the absence of clearly setting out what the housing requirement is and whether the Plan is looking to meet Medway’s needs (which it should), the process of using the currently drafted objectives to inform the Council’s assessment of different sites and locations for development cannot be considered as “Positively Prepared” or “Justified”, contrary to the NPPF (para 35). It is clearly part of preparing a sustainable future that sufficient housing is delivered.

#### **Supporting people to lead healthy lives and strengthening our communities**

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- 2.2.2 Whilst it is acknowledged that, in general terms, the objective of “Supporting People to Lead Healthy Lives and Strengthening Our Communities” mentions housing generally, it does not set out how much housing will be provided. This is a determining factor in deciding what is the most appropriate spatial strategy is

and should inform the basis of future strategic policies, as required by the NPPF (para 20 and 23).

### **Securing jobs and developing skills for a competitive economy**

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- 2.2.3 The principles of the strategic objectives are supported. However, the lack of clarity in housing and employment growth in numerical forms across the plan period required to meet local needs must be expressed as an objective since many of the other objectives are dependent on the delivery of housing.

### **Boost pride in Medway through quality and resilient development**

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- 2.2.4 This objective refers to the development of brownfield land as part of the ongoing benefits of Medway's regeneration to deliver housing and employment growth. This is supported by NPPF (para 123), which states that it is "a clear strategy for accommodating objectively assessed needs, in a way that makes as much use as possible of previously developed or 'brownfield' land".
- 2.2.5 Whilst this is supported, it is also understood that the objectives do not directly address the need to release brownfield land for urban regeneration as part of a combined strategy for meeting Medway's housing needs, including suburban expansion, rural development and Green Belt release. We are, therefore, still of the opinion that this objective is misleading, appearing to read that urban regeneration is the only objective rather than part of a wider objective for Medway to meet housing needs through the emerging Local Plan.
- 2.2.6 In accordance with the proposed policy T11 in relation to Small Sites and SME Housebuilders, this objective might make reference to the important contribution that SME Housebuilders make in delivering high quality development, and outlining how they will be supported.

## **2.3 SECTION 2.3 SPATIAL DEVELOPMENT STRATEGY**

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- 2.3.1 Given the nature of the housing need, it is considered that a blended strategy will need to include additional sites than those indicatively allocated as 'suburban expansion' and 'greenfield sites' to meet their objective to meet the objectively assessed need in full as set out in the national policy.
- 2.3.2 It is highlighted that greenfield sites such as at Lower Featherby Road will be available and deliverable in the earlier years of the plan period, with brownfield sites typically coming forward in the latter years of the Plan Period.
- 2.3.3 The growing need for both market and affordable housing emphasises the need for the Council to plan to meet its full objectively assessed need, as required by the NPPF (para 11b and para 23), supporting the Government's objectives to significantly boost the supply of homes (NPPF, para 60).

- 2.3.4 The Council should also work with Gravesham Borough Council to determine if it needs to and/or can accommodate any of its needs (up to 2,000 homes) to ensure the Plan is "Positively Prepared" (NPPF, para 35).

## 2.4 SECTION 3 SPATIAL GROWTH OPTIONS

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### Section 3.2 Preferred Spatial Growth Option

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- 2.4.1 It is considered the SGO1 (Urban Focus) fails to deliver appropriate growth across the district, while SGO2 (Dispersed Growth) clearly fails to make the most appropriate use of existing brownfield sites.
- 2.4.2 SGO 3 (Blended Strategy) is supported in general as the most appropriate strategy, as clearly there is a middle ground between utilising brownfield sites as much as possible, while also ensuring growth can be delivered across the district with urban extensions and greenfield sites.
- 2.4.3 However, this growth option does not deliver the 28,000 homes required to fully meet the district's housing needs. The Council needs to allocate additional sites across the district to deliver the additional 4,267 dwellings across the plan period to fully meet their needs in accordance with para 23 of the NPPF.
- 2.4.4 Therefore, further sites are required in addition to those already indicatively allocated. Sustainable sites such as at Lower Featherby Road would help to meet this need.

## 2.5 POLICY S1: PLANNING FOR CLIMATE CHANGE

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### **Question 1: The Council could consider setting local standards for development that go beyond national policy/regulations in addressing climate change. What evidence would justify this approach, and what standards would be appropriate?**

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- 2.5.1 Our client considers that the Council should not go beyond national policy/regulations in addressing climate change. This is because national policy and regulations are continually changing adapting to new and different concerns.
- 2.5.2 We consider that the Council should word policy S1 in a way that is flexible and adaptable enough to meet the ever-evolving requirements of national policy when it comes to meeting the challenges of climate change.

## 2.6 POLICY S2: CONSERVATION AND ENHANCEMENT OF THE NATURAL ENVIRONMENT

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- 2.6.1 Policy S2 should remain as is, with proposals only having to demonstrate a 10% net gain in accordance with the Environment Act, as required by law.

**Question 2: Do you consider that the Council should seek to go beyond the statutory minimum of a 10% increase in BNG? What evidence can you provide to support your view?**

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- 2.6.2 Our client objects to Medway Council's seeking to go beyond the statutory minimum 10% increase in BNG. Delivering biodiversity net gain above the statutory minimum requirement can cause significant viability issues, particularly for brownfield sites, albeit it impacts all sites.
- 2.6.3 Additionally, the imposition of a BNG requirement over 10% will restrict the number of units that can be delivered on some sites where further land is required to be set aside for BNG improvements. Given Medway's preferred strategic option is already some 4,267 dwellings short, additional BNG will reduce dwellings further.
- 2.6.4 If MC wish to exceed the Environment Act's requirement for 10% BNG, this would need to be tested further by the Council. Any requirement should be proportionate to the proposed scale of development to ensure that development can be viable and fundamentally delivered.

## 2.7 POLICY DM 5: HOUSING DESIGN

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- 2.7.1 Our client is concerned by bullet point 3 of the draft policy. This policy requirement would be better suited to Policy T4. The M4 building standards for dwellings can be incorporated into Policy T2: Housing Mix, setting out the mix of M4 (2) and M4 (3) homes, which are all designed to adapt to various living situations.
- 2.7.2 The last bullet point of the policy seeks a design for flexible living places that support 'long life and loose fit' neighbourhoods. Our client has concerns regarding the deliverability of this part of the policy. What standards does the Council intend to apply to help determine whether something is flexible living, and what are the key design criteria for long-life and loose-fit neighbourhoods?
- 2.7.3 The Council should consider the production of the Supplementary Planning Document (SPD) or details within a Design Code to clearly set out how they wish housing standards to meet such fluid design criteria to help applicants understand what is required of a planning application which may help facilitate the long life and loose fit neighbourhoods set out in the policy.

- 2.7.4 Ultimately, the last part of this policy currently appears to be intangible. The Council needs to provide further guidance about how long-life and loose-fit neighbourhoods will manifest themselves in the Medway towns.

## 2.8 POLICY DM6: SUSTAINABLE DESIGN AND CONSTRUCTION

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- 2.8.1 The policy states in its last bullet point that “*All residential proposals shall detail how they are seeking to facilitate working from home within the design, including access to high-speed broadband/internet.*” This part of the policy is broad brush. The Council needs to consider how this policy will manifest itself in practice. It should be for the applicant to provide robust evidence to demonstrate if this is feasible.
- 2.8.2 We consider it is not appropriate for new residential dwellings to make provision for bespoke working-from-home facilities in residential dwellings where existing areas such as spare bedrooms and other locations in dwellings can be utilised to work from home given the portable nature of professional service work operating in laptops and other devices.
- 2.8.3 Moreover, we raise concerns with regard to the broadband provision required as part of the policy. There are a number of areas in the Council boundary that will not be able to achieve the desired speeds, particularly in rural areas. The Council should prepare an assessment of speeds and delivery potential before submission of the new Draft Local Plan to ensure that the requirement is feasible. If not, the approach should be reviewed so that it is fair and reasonable on the basis of the location of the development.

## 2.9 POLICY DM10: CONSERVATION AREAS

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- 2.9.1 Policy DM10 should be more explicit that new development within a conservation area should positively be encouraged where it can contribute positively (Paragraph 212 NPPF), while similarly not all elements within a CA will contribute to its significance (Paragraph 213 NPPF).

### **Question 9: Should this policy be broadened out to areas adjacent or near to Conservation Areas rather than only within? If so, please explain why.**

---

- 2.9.2 Our client does not agree that the policy should be broadened to any specific areas adjacent to Conservation Areas. The reason is that it is a matter of planning judgement combined with the nature and scale of the proposal as to whether it would impact a Conservation Area within close proximity to the site and should be considered by the planning officer on an individual case-by-case basis.



## 2.10 POLICY T2: HOUSING MIX

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- 2.10.1 Policy T2 is considered a strategic policy to ensure that the Council delivers a sustainable and suitable mix of housing to meet local housing needs as set out in the three Local Housing Need Assessments. The Local Housing Needs Assessment (2021), Which Is part of the evidence base for the Emerging Local Plan, states that 1no. and 3no.bed dwellings are currently the lowest housing stock in the district. The assessment also states that there is an overall need for 30 to 35% of dwellings to be flats within the overall housing mix.
- 2.10.2 It is noted that given the blended strategy approach is preferred by the Council, this will include a number of brownfield sites primarily delivering in the form of apartment blocks. This will deliver a large proportion of the required housing need in terms of flats and 1no/2no. bedroom units.
- 2.10.3 Therefore, our client queries whether suitable flexibility is built in to the policy that reflects the nuances of the sites being delivered, and how this might be split across the housing coming forward.

### **Question 10: Do you think this policy provides effective guidance on the required housing mix in Medway?**

---

- 2.10.4 Given the strategic nature of this policy, it is considered that the policy provides effective guidance, pointing at the Local housing to understand the required site location characteristics, albeit noting the comments made above.

## 2.11 POLICY T3: AFFORDABLE HOUSING

---

- 2.11.1 it is noted that the Council have an annual net shortfall of 870 affordable dwellings per annum and that this policy seeks to reduce this overall shortfall.

### **Question 11: Do you agree with having a 10% requirement for affordable housing on urban brownfield sites and 30% requirement for affordable housing on greenfield sites and higher value urban locations? What do you consider would represent an effective alternative approach? Do you agree with a varied approach for affordable housing requirements based on the different value areas across Medway?**

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- 2.11.2 We consider flexibility should be applied based on relevant viability assessment.

**Question 12: What do you consider would represent an effective split of tenures between social/affordable rent and intermediate/low-cost home ownership housing in delivering affordable housing?**

---

- 2.11.3 Our client does not object to the principle of having a percentage split relating to social/affordable rent and intermediate low-cost home ownership. It is considered that the policy should use percentages led by the need requirement set out in Table 7.1 of the Local Housing Needs Assessment to inform the percentages to accompany Policy T3.

**Question 13: What do you consider would represent an effective split of tenures between social/affordable rent and intermediate/low-cost home ownership housing in delivering affordable housing?**

---

- 2.11.4 Paragraph 6.3.13 of the Local Plan consultation document sets out the cascade principle. The preference for on-site delivery of affordable housing then off-site provision on an alternative site where appropriate. Common sense needs to be applied to ensure units are attractive to providers.

**2.12 POLICY T9: SELF-BUILD AND CUSTOM HOUSEBUILDING**

---

- 2.12.1 It is agreed that no self- and custom-built housing should be required in flatted development, as set out in the wording of this policy.

**2.13 POLICY T11: SMALL SITES AND SME HOUSEBUILDERS**

---

- 2.13.1 Our client welcomes the support offered to smaller sites and SME housebuilders, which provide an integral part of housing delivery. Notably SME housebuilders, who are very often highly localised, deliver higher quality developments which enhance local areas. The policy should make clear that weight will be afforded to the delivery of small sites by SME housebuilders coming forward.
- 2.13.2 The policy does need to make clear the general attributes of these small sites that the Council will consider acceptable.

**2.14 SECTION 9.1: VISION FOR ACCESS AND MOVEMENT IN MEDWAY**

---

- 2.14.1 It is concerning that opening points on the vision for access and movement in Medway relate to working from home. Our client's comments remain the same as they set out under Policy DM 6.
- 2.14.2 It is not appropriate for new residential dwellings to make provision for bespoke working-from-home facilities in residential dwellings where existing areas such as spare bedrooms and other locations in dwellings can be utilised to work from home

given the portable nature of professional service work operating in laptops and other devices.

## **2.15 POLICY T26: ACCESSIBILITY STANDARDS**

---

- 2.15.1 While the intentions behind this policy are understood, it is considered that the '15 minute neighbourhood' is a predominantly urban concept, and its inclusion within Medway's Local Plan fails to recognise the inherent characteristics of rural and semi-rural neighbourhoods where '15 minute neighbourhoods' are simply not possible.
- 2.15.2 While the client agrees with the intention to promote sustainable development, the wording of the policy should be amended to enable some flexibility across sites, where a site-specific judgement can be made, for example in instances where there is a general accordence with the thrust of the policy.

### 3 SITE SPECIFIC COMMENTS

#### 3.1 APPLICATION

- 3.1.1 At the time of submitting this representation, an application has recently been submitted for a scheme of 14 dwellings, albeit not yet validated.
- 3.1.2 Pre-application advice was sought for the scheme (PRE/23/2453). While it was recognised that the site was contrary to the local plan in that it was outside of settlement boundaries, the Council's position was that Council would likely be willing to support the scheme if the application successfully demonstrates a high quality scheme reducing its impact on the landscape, and demonstrates sustainability.
- 3.1.3 The proposed layout is submitted separately, however included below for reference. This layout and application demonstrates that the site is suitable and available for development in the short term. A high quality scheme has been achieved utilising a rural vernacular, recognising its edge of settlement position in the rural-urban fringe.



FIGURE 2: PROPOSED DEVELOPMENT LAYOUT.

## 3.2 REVIEW

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- 3.2.1 It is understood that the site was not included as a preferred indicative allocation within this consultation.
- 3.2.2 RN34 was discounted for the following reasons:
- "Loss of BMV agricultural land. The development could lead to coalescence between settlements. Beyond reasonable walking distance to current public transport services."*
- 3.2.3 It is noted that the adjoining parcel, RN1 was discounted for the same reasons as the Lower Featherby Road site.
- 3.2.4 As a general point, our comments within this representation indicate our support for the preferred Strategic Growth Option 3(SGO A3), the Blended Strategy, which sets out that Medway can deliver up to 23,733 homes across the plan period.
- 3.2.5 This figure is 4,267 homes under the need of around 28,000 homes set out in the executive summary of the regulation 18b consultation document and 4,579 dwellings below the previously anticipated figure in the previous Regulation 18a consultation document.
- 3.2.6 Given the nature of the housing need, it is clear therefore that additional sites other than those indicatively allocated as 'suburban expansion' and 'greenfield sites' are required to meet their objective to meet the objectively assessed need in full.

### Loss of BMV land

---

- 3.2.7 The application site has been used as grazing land for in excess of 20 years, and the applicant has no future intentions to farm the land.
- 3.2.8 The site is not linked to any wider agricultural holdings. Given the relatively small area of the site, it is clearly not viable or logistically possible to use this site agriculturally.

### Coalescence

---

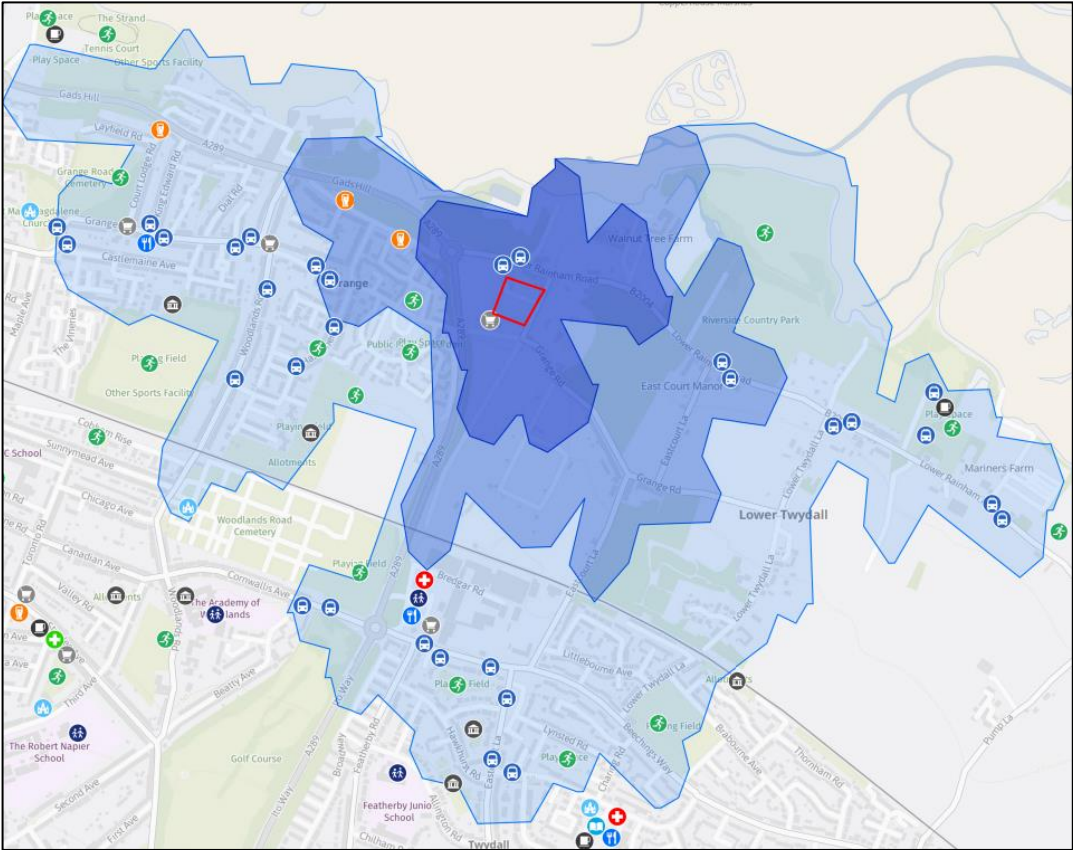
- 3.2.9 It is immediately obvious when reviewing the site that development will not lead to coalescence with any adjoining settlements.
- 3.2.10 The nearest 'settlement' with defined built up boundaries is Lower Rainham, located almost 2km to the east along Lower Rainham Road.
- 3.2.11 Development of the site, and indeed the adjoining parcel, clearly would not lead to issues of coalescence between the two settlements.

- 3.2.12 Development of the sites form a logical extension to Gillingham confines, and does not lend itself to further encroachment into the countryside.

### Sustainability

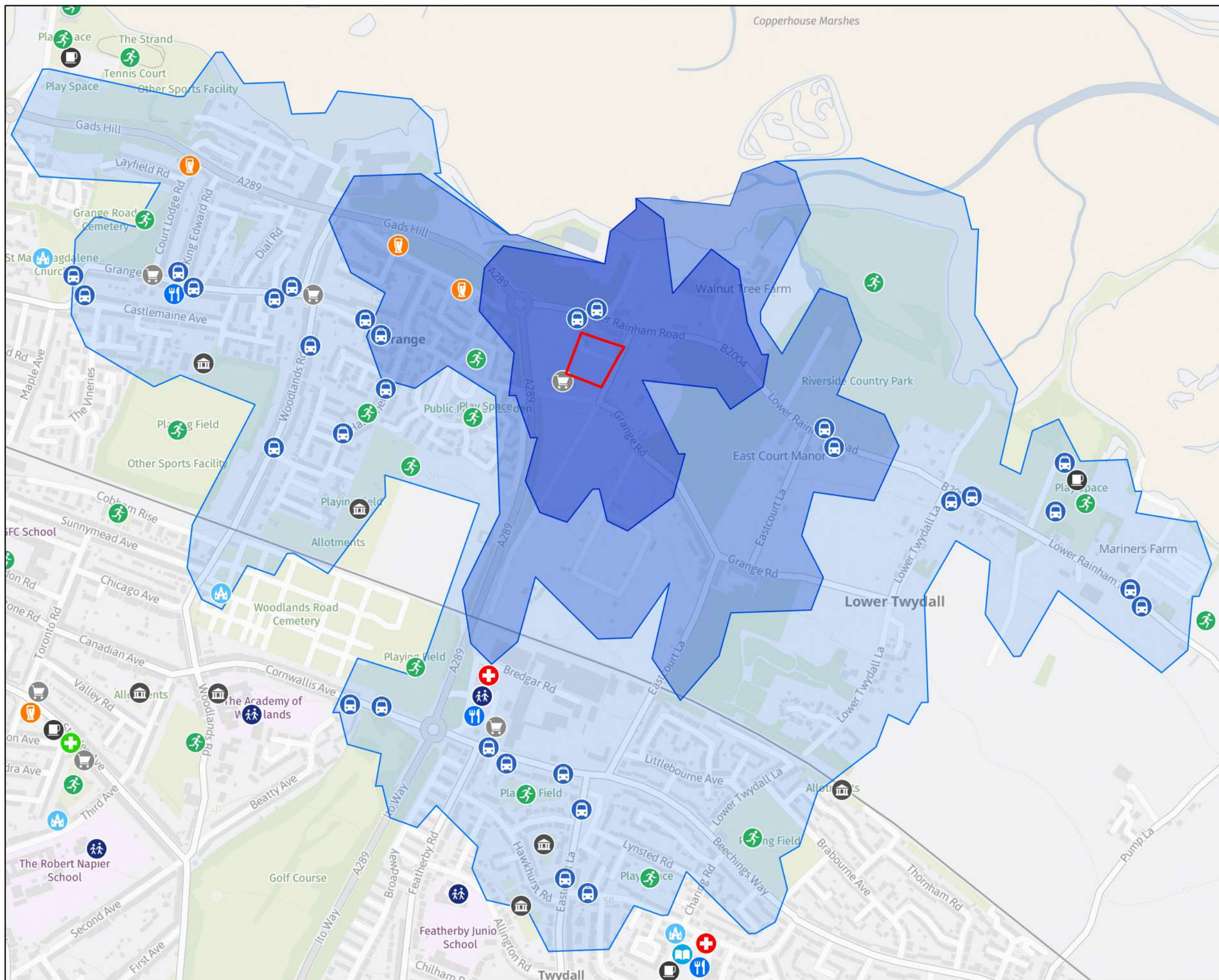
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- 3.2.13 It is clear when reviewing the site that there is ample public transport access within the area.
- 3.2.14 The closest bus stops are on Lower Rainham Road and Grange Road, within Gillingham confines. On Grange Road, the bus stop is served by the 176/177 service which has numerous services per hour Monday-Saturday, and hourly services on a Sunday. The 176 travels between Gillingham - Chatham - Walderslade. There also additional less regular services in addition to the 176, including school services, available from these stops (683, 183, and 184).
- 3.2.15 Another nearby bus stop, located outside the Hastings Arms roughly 300 metres to the West of the application site, provides services between Chatham Waters Asda, Gillingham and Twydall.
- 3.2.16 Gillingham Train Station lies approximately 2km West of the application site and provides services to Rainham (Kent), London Victoria, Dover Priory, Luton via London Blackfriars, Ramsgate, and London St Pancras. There is a paved footpath the entire route, whilst the 176 bus route also travels past the station from the site.
- 3.2.17 While highlighting the sites accessible position in respect of transport facilities, in terms of local facilities and services, the site is well located such that future residents will be able to walk or cycle to nearby facilities and not necessarily reliant on public transport.
- 3.2.18 In respect of accessibility, the site is considered accessible and sustainably located adjacent to the Urban Area boundary. Gillingham urban centre contains a wide variety of day-to-day services and facilities including schools, employment, grocery stores, medical services, retail and leisure facilities. The sustainability of the site is addressed in further detail later on.
- 3.2.19 There are a number of services and facilities located near the site, including but not limited to: Gillingham Business Park, The Hastings Arms, Woodlands Pharmacy, Medway Maritime Hospital, Twydall Community Centre, Featherby Infant and Nursery School, Featherby Junior School, and the Riverside Country Park. All are within walking distance along a well-lit path or can be accessed using public transport.
- 3.2.20 In addition to the above, a sustainability 'local services' plan has been submitted separately as part of the representation, however an extract is provided below. The site is well located in respect of nearby services and facilities.



SUSTAINABILITY PLAN (WALKING DISTANCES OF 5/10/20 MINUTES).





## Key

- Site boundary
- 5 minute walk time (400m) from the site access
- 10 minute walk time (800m) from the site access
- 20 minute walk time (1600m) from the site access
- School
- Bus Stops
- Restaurants
- Library
- Places Of Worship
- Park/ Open Space/ Playground
- Pharmacy
- Healthcare Facilities
- Pub
- Cafe
- Community Facilities
- Groceries

## TITLE

### Facilities Within Walking Distance Of The Site Access

CLIENT  
**HRF Property Ltd**

PROJECT  
**Lower Featherby Road**

SCALE AT A3	DATE	JOB NO.	DRWG NO.
1:8,750	July 2024	32301	G-01



Eclipse House, Eclipse Park, Sittingbourne Road  
Maidstone, Kent ME14 3EN

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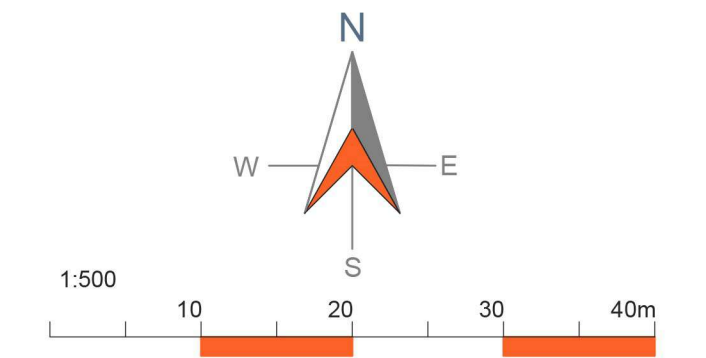
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- Plot 1 - 4b8p - GIA 278sqm - Parking Barn 1
- Plot 2 - 3b5p - GIA 100sqm - Exterior Parking
- Plot 3 - 3b5p - GIA 100sqm - Exterior Parking
- Plot 4 - 3b5p - GIA 100sqm - Exterior Parking
- Plot 5 - 1b2p (GF flat) - GIA 56sqm - Exterior Parking
- Plot 6 - 1b2p (FF flat) - GIA 58sqm - Exterior Parking
- Plot 7 - 3b6p - GIA 190sqm - Parking Barn 2
- Plot 8 - 4b8p - GIA 148sqm - Parking Barn 2
- Plot 9 - 4b8p - GIA 150sqm - Exterior Parking
- Plot 10 - 4b8p - GIA 140sqm - Parking Barn 3
- Plot 11 - 3b6p - GIA 135sqm - Parking Barn 3
- Plot 12 - 3b6p - GIA 135sqm - Exterior Parking
- Plot 13 - 3b6p - GIA 128sqm - Parking Barn 4
- Plot 14 - 3b5p - GIA 122sqm - Parking barn 4

**A** KS 29/7/24

Access design revised

Do not scale from this drawing unless for Planning Purposes.  
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**REFINE**  
ARCHITECTURE

Address : Unit 6, Grove Diary Farm, Bobbing Hill, Sittingbourne, Kent, ME9 8NY  
Telephone : 01795 844162  
E-mail : mail@refinearchitecture.co.uk

**RESIDENTIAL DEVELOPMENT**  
LAND WEST OF LOWER FEATHERBY ROAD,  
GILLINGHAM, ME7 2UD  
**HRF PROPERTIES LTD.**  
PROPOSED  
DEVELOPMENT LAYOUT

Drawn By	Checked By	Date	Scale	Size	Revision
KS	JW	26/2/24	1:500	A2	A

23.69.PL04A

PLANNING



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land

# **MEDWAY COUNCIL REGULATION 18 CONSULTATION RESPONSE**

**Land South of Lower Rainham Road**

LAA SITE REF: RN4  
CALL FOR SITES FORM SUBMISSION ID: 172  
CALL FOR SITES RESPONDENT ID: 299  
REGULATION 18a CONSULTATION ID: Unknown  
REGULATION 18b CONSULTATION ID: 2782

**CLIENT: Pickhill Developments Ltd**



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# CONTENTS

<b>1</b>	<b>INTRODUCTION.....</b>	<b>4</b>
1.1	OVERVIEW .....	4
1.2	PLAN CONTEXT.....	4
1.3	PLANNING POLICY FRAMEWORK .....	5
	Plan-Making .....	5
	Delivering a Sufficient Supply of Homes.....	7
	Promoting Sustainable Transport .....	8
1.4	STRUCTURE OF THE REPRESENTATION .....	9
<b>2</b>	<b>THE SITE AND SUSTAINABILITY CREDENTIALS.....</b>	<b>10</b>
2.1	CASE FOR ALLOCATION .....	10
	Highways and Access .....	11
	Ecology .....	11
	Sustainability of the Site .....	12
2.2	OTHER CONSTRAINTS.....	13
	Trees .....	13
	Flood Risk .....	13
	Contamination.....	13
	Archaeology and Heritage .....	14
	Deliverability .....	14
<b>3</b>	<b>RESPONSE TO THE DRAFT CONSULTATION.....</b>	<b>16</b>
3.1	INTRODUCTION .....	16
3.2	VISION FOR MEDWAY 2041 .....	16
3.3	SECTION 2.2 STRATEGIC OBJECTIVES .....	17
	Prepared for a sustainable and green future .....	17
	Securing jobs and developing skills for a competitive economy.....	18
	Boost pride in Medway through quality and resilient development .....	18
	Summary .....	19
3.4	SECTION 2.3 SPATIAL DEVELOPMENT STRATEGY.....	19
3.5	SECTION 3 SPATIAL GROWTH OPTIONS.....	20
	Section 3.2 Preferred Spatial Growth Option .....	20
<b>4</b>	<b>RESPONSE TO THE DRAFT LOCAL PLAN POLICIES.....</b>	<b>22</b>
4.1	POLICY S1: PLANNING FOR CLIMATE CHANGE .....	22
	Question 1: The Council could consider setting local standards for development that go beyond national policy/regulations in addressing climate change. What evidence would justify this approach, and what standards would be appropriate? .....	22
4.2	POLICY S2: CONSERVATION AND ENHANCEMENT OF THE NATURAL ENVIRONMENT .....	22
	Question 2: Do you consider that the Council should seek to go beyond the statutory minimum of a 10% increase in BNG? What evidence can you provide to support your view? .....	22
4.3	POLICY S3: NORTH KENT ESTUARY AND MARSHES DESIGNATED SITES .....	23
	Question 3: Do you agree that the tariff based strategic approach applied to development within 6 km of the designated areas, supporting the delivery of the Bird	

	Wise SAMMS programme represents an effective means of addressing the potential impact of recreational disturbance on the designated SPA and Ramsar habitats of the Thames, Medway and Swale Estuaries and Marshes. ....	23
4.4	POLICY DM2: CONTAMINATED LAND.....	23
4.5	POLICY DM3: AIR QUALITY .....	23
4.6	POLICY T1: PROMOTING HIGH QUALITY DESIGN .....	24
4.7	POLICY DM 5: HOUSING DESIGN .....	25
4.8	POLICY DM6: SUSTAINABLE DESIGN AND CONSTRUCTION.....	26
4.9	POLICY T2: HOUSING MIX.....	27
4.10	POLICY T3: AFFORDABLE HOUSING.....	28
	Question 11: Do you agree with having a 10% requirement for affordable housing on urban brownfield sites and 30% requirement for affordable housing on greenfield sites and higher value urban locations? What do you consider would represent an effective alternative approach? Do you agree with a varied approach for affordable housing requirements based on the different value areas across Medway? .....	28
	Question 12: What do you consider would represent an effective split of tenures between social/affordable rent and intermediate/low-cost home ownership housing in delivering affordable housing?.....	28
	Question 13: What do you consider would represent an effective split of tenures between social/affordable rent and intermediate/low-cost home ownership housing in delivering affordable housing?.....	28
4.11	POLICY T9: SELF-BUILD AND CUSTOM HOUSEBUILDING.....	28
4.12	POLICY T11: SMALL SITES AND SME HOUSEBUILDERS .....	29
4.13	VISION FOR ACCESS AND MOVEMENT IN MEDWAY .....	29

## 5 CONCLUSIONS..... 30

# 1 INTRODUCTION

## 1.1 OVERVIEW

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- 1.1.1 This representation has been prepared on behalf of Pickhill Developments Ltd (hereafter referred to as Pickhill) in response to the Medway Council Regulation 18b draft Local Plan consultation, which runs until Sunday the 8<sup>th</sup> of September 2024.
- 1.1.2 Land South of Lower Rainham Road (hereafter referred to as the site) has previously been promoted by Charthouse Strategic Land through various consultation exercises run by Medway Council, including the previous Regulation 18 Consultation (2023) and the Call for Sites (2022).
- 1.1.3 The site was also promoted as part of the Issues and Options consultation in 2016 by Barton Willmore.

## 1.2 PLAN CONTEXT

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- 1.2.1 Medway Council ('MC') are preparing a new Local Plan to set out a strategy for development across the district up to 2041. It is seeking views on the overall vision for Medway, the spatial strategy and objectives, individual site allocations, and the Plan's draft policies.
- 1.2.2 MC have prepared the Draft Local Plan following feedback from previous consultations on the Draft Local Plan. The Draft Local Plan (subject of this representation) has been revised following feedback from previous consultations alongside relevant updates that have been made to the National Planning Policy Framework ('NPPF').
- 1.2.3 It is noted that the revised NPPF (December 2023) demonstrates that authorities with an up-to-date Local Plan will no longer be required to demonstrate a 5-year housing land supply and those that have published a regulation 18 or regulation 19 Local Plan (alongside an up-to-date policies map and draft allocations) will now only need to demonstrate a 4-year housing land supply. The Council has demonstrated that it has a 3.4 Year Housing Land Supply at Appeal as of November 2023.
- 1.2.4 The Council's Local Development Scheme (published February 2024) is outdated and states that the current Regulation 18b Consultation was set to be held between June and July of 2024. However, the Council anticipates publishing the Regulation 19 Draft Local Plan for comment in early 2025.
- 1.2.5 The primary intention of this representation is to address why the Land South of Lower Rainham Road should be allocated within the Draft Local Plan for residential

development. This representation therefore submits that the site remains available, deliverable, and achievable within the forthcoming Plan period and there is no evidence-led basis upon which the site cannot be allocated within the forthcoming Regulation 19 Submission version of the plan.

## 1.3 PLANNING POLICY FRAMEWORK

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### Plan-Making

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1.3.1 **Paragraph 11** of the NPPF emphasises that plans and decisions should apply a presumption in favour of sustainable development. For **plan-making** this means that: -

- (a) “plans should promote a sustainable pattern of development that seeks to: meet the development needs of their area; align growth and infrastructure; improve the environment; mitigate climate change and adapt to its effects;
- (b) *strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas<sup>5</sup>, unless: -*
  - (i) the application of policies in this Framework that protect areas or assets of particular importance provides a strong reason for restricting the overall scale, type, or distribution of development in the plan area<sup>6</sup>; or
  - (ii) any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole.”

1.3.2 **Paragraph 15** reminds us that the planning system should be genuinely plan-led. Succinct and up-to-date plans should provide a positive vision for each area's future, a framework for meeting housing needs while balancing other economic, social, and environmental priorities, and a platform for local people to shape their surroundings.

1.3.3 **Paragraph 16** sets out that plans should: -

- (a) “be prepared with the objective of contributing to the achievement of
- (b) sustainable development;
- (c) be prepared positively in a way that is aspirational but deliverable;
- (d) be shaped by early, proportionate, and effective engagement between plan makers and communities, local organisations,

businesses, infrastructure providers and operators and statutory consultees;

- (e) contain policies that are clearly written and unambiguous, so it is evident how a decision maker should react to development proposals;
- (f) be accessible through the use of digital tools to assist public involvement and policy presentation; and
- (g) serve a clear purpose, avoiding unnecessary duplication of policies that apply to a particular area (including policies in this Framework, where relevant)."

1.3.4 **Paragraph 17** sets out that development plans must include strategic policies to address each Local Planning Authority's priorities for the development and use of land in its area.

1.3.5 **Paragraph 20** states that strategic policies should set out an overall strategy for the pattern, scale, and quality of places (to ensure outcome support beauty in place making), and make sufficient provision for: -

- (a) "housing (including affordable housing), employment, retail, leisure and
- (b) other commercial development;
- (c) infrastructure for transport, telecommunications, security, waste management, water supply, wastewater, flood risk and coastal change management, and the provision of minerals and energy (including heat);
- (d) community facilities (such as health, education and cultural infrastructure); and
- (e) conservation and enhancement of the natural, built and historic environment, including landscapes and green infrastructure, and planning measures to address climate change mitigation and adaptation."

1.3.6 **Paragraph 22** states that strategic policies should look ahead over a minimum 15-year period from adoption to anticipate and respond to long-term requirements and opportunities, such as those arising from major infrastructure improvements.

1.3.7 **Paragraph 23** states that broad locations for development should be indicated on a key diagram, and land use designations and allocations should be identified on a policies map. Strategic policies should provide a clear strategy for bringing sufficient land forward, and at a sufficient rate, to address objectively assessed needs over the Plan Period, in line with the presumption in favour of sustainable development.



- 1.3.8 **Paragraph 31** states that the preparation and review of all policies should be underpinned by relevant and up-to-date evidence. This should be adequate and proportionate, focused tightly on supporting and justifying the policies concerned, and take into account relevant market signals.
- 1.3.9 Policies in Local Plans and spatial development strategies should be reviewed to assess whether they need updating at least once every five years and then updated as necessary. Reviews should be completed no later than five years from the plan's adoption date and should consider changing circumstances affecting the area or any relevant changes in national policy.
- 1.3.10 The next pre-submission (Regulation 19) draft will be examined by an Inspector whose role is to assess whether it has been prepared in accordance with the Duty to Cooperate, legal and procedural requirements, and whether it is 'sound'.
- 1.3.11 In line with **Paragraph 35** for Plans to be found 'sound' final draft plans must be:

***Positively prepared*** – providing a strategy which, as a minimum, seeks to meet the area's objectively assessed needs; and is informed by agreements with other authorities so that unmet need from neighbouring areas is accommodated where it is practical to do so and is consistent with achieving sustainable development;

***Justified*** – an appropriate strategy, taking into account the reasonable alternatives, and based on proportionate evidence;

***Effective*** – deliverable over the Plan Period, and based on effective joint working on cross-boundary strategic matters that have been dealt with rather than deferred, as evidenced by the statement of common ground; and

***Consistent with national policy*** – enabling the delivery of sustainable development in accordance with the policies in this Framework.

### **Delivering a Sufficient Supply of Homes**

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- 1.3.12 **Paragraph 60** states that to support the Government's objective of significantly boosting the supply of homes, 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. The overall aim should be to meet as much of an area's identified housing need as possible, including an appropriate mix of housing for the local community.
- 1.3.13 **Paragraph 61** states that strategic policies should be informed by a local housing need assessment conducted using the standard method in national planning guidance to determine the minimum number of homes needed. The outcome of the standard method is an advisory starting point for establishing a housing

requirement for the area (see paragraph 67 below). There may be exceptional circumstances, including those relating to the particular demographic characteristics of an area<sup>25</sup>, 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. In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be considered in establishing the amount of housing to be planned for<sup>26</sup>.

- 1.3.14 To this end, **Paragraph 69** states that strategic plan-making authorities should clearly understand the land available in their areas through the preparation of a Strategic Housing Land Availability Assessment. From this, planning policies should identify a sufficient supply and mix of sites, considering their availability, suitability, and likely economic viability. Planning policies should identify a supply of: -
- (a) specific, deliverable sites for five years following the intended date of adoption<sup>35</sup>; and
  - (b) b) specific, developable sites or broad locations for growth, for the subsequent years 6-10 and, where possible, for years 11-15 of the remaining Plan Period.

### Promoting Sustainable Transport

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- 1.3.15 **Paragraph 108** states that transport issues should be considered from the earliest stages of plan-making and development proposals so that:
- (a) the potential impacts of development on transport networks can be addressed;
  - (b) opportunities from existing or proposed transport infrastructure, and changing transport technology and usage, are realised – for example in relation to the scale, location or density of development that can be accommodated;
  - (c) opportunities to promote walking, cycling and public transport use are identified and pursued;
  - (d) the environmental impacts of traffic and transport infrastructure can be identified, assessed and taken into account – including appropriate opportunities for avoiding and mitigating any adverse effects and for net environmental gains; and
  - (e) Patterns of movement, streets, parking, and other transport considerations are integral to the design of schemes and contribute to high-quality places.

- 1.3.16 **Paragraph 109** states that the planning system should actively manage patterns of growth in support of these objectives. Significant development should be focused on locations which are or can be made sustainable, through limiting the need to travel and offering a genuine choice of transport modes.
- 1.3.17 **Paragraph 115** states that development should only be prevented or refused on highway grounds if there would be an unacceptable impact on highway safety or the residual cumulative impacts on the road network would be severe.

## 1.4 STRUCTURE OF THE REPRESENTATION

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- 1.4.1 **Section 1** of this report is an introduction to the plan context and planning policies relevant to the report.
- 1.4.2 **Section 2** introduces the site and its surroundings and sets out the sites sustainability credentials.
- 1.4.3 **Section 3** responds to the draft consultation.
- 1.4.4 **Section 4** responds to the draft local plan policies.
- 1.4.5 **Section 5** concludes the report and sets out why the site should be allocated within the draft local plan.

## 2 THE SITE AND SUSTAINABILITY CREDENTIALS

### 2.1 CASE FOR ALLOCATION

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- 2.1.1 Our client continues to promote the site for a sustainable and proportionate strategic extension to Gillingham, comprising of a mix of dwelling types and sizes including an element of affordable housing, since the Issues and Options Consultation in 2016.
- 2.1.2 The site occupies approximately 4.4 hectares of private open land and woodland which sits to the south of Lower Rainham Road (the B2004) and is in close proximity to the built urban confines of Gillingham. The site is well located to benefit from the services and amenities of Chartham, including the bus routes along Lower Rainham Road. The site is bound by Lower Rainham Road to the north and open land and woodland to the South, with fields and residential development to the east and west of the site. There is no development or built form currently on the site or on its boundary. The existing vegetation along the boundary of the site screens the site from surrounding roads and dwellings. The site is shown in a local context below.



FIGURE 2.1: SITE LOCATION PLAN (COURTESY OF GOOGLE EARTH)

- 2.1.3 The site sits within a Smoke Control Area, and within the 2003 Local Plan was allocated as an Area of Local Landscape Importance under policy BNE34.

## Highways and Access

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- 2.1.4 Vehicular and pedestrian access to the site is currently via an access point on Lower Rainham Road. This provides connectivity to Gillingham and further towns such as Chatham and Rochester.
- 2.1.5 Lower Rainham Road takes a general east/west alignment and allows for two-way movements by light vehicles. The road is subject to 40mph speed limits until the cluster of dwellings to the north west of the site (known as the Grange) where the speed limit drops to 30mph.
- 2.1.6 From Lower Rainham Road, Yokosuka and Ito way provide access to the A2 which connects Strood and Rochester to Sittingbourne. The M2 is also easily accessible from site and provides access to towns further east such as Canterbury, connecting with the A2 to the north to access the M25 and the London area.

## Ecology

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- 2.1.7 Riverside Country Park is located to the north east of the site and is a designated Country Park (outlined in yellow and shaded by diagonal brown lines). Further north, the Copperhouse Marshes on the River Medway form part of the Medway Estuary and Marshes Site of Special Scientific Interest (outlined in green and shaded blue).
- 2.1.8 To the south and east of the site are allotments (shaded in brown) and amenity greenspaces (outlined in green and shaded in yellow). These sites are all within walking or cycling distance of the site.
- 2.1.9 The locations of the designations above can be seen in figure 2.2 below.

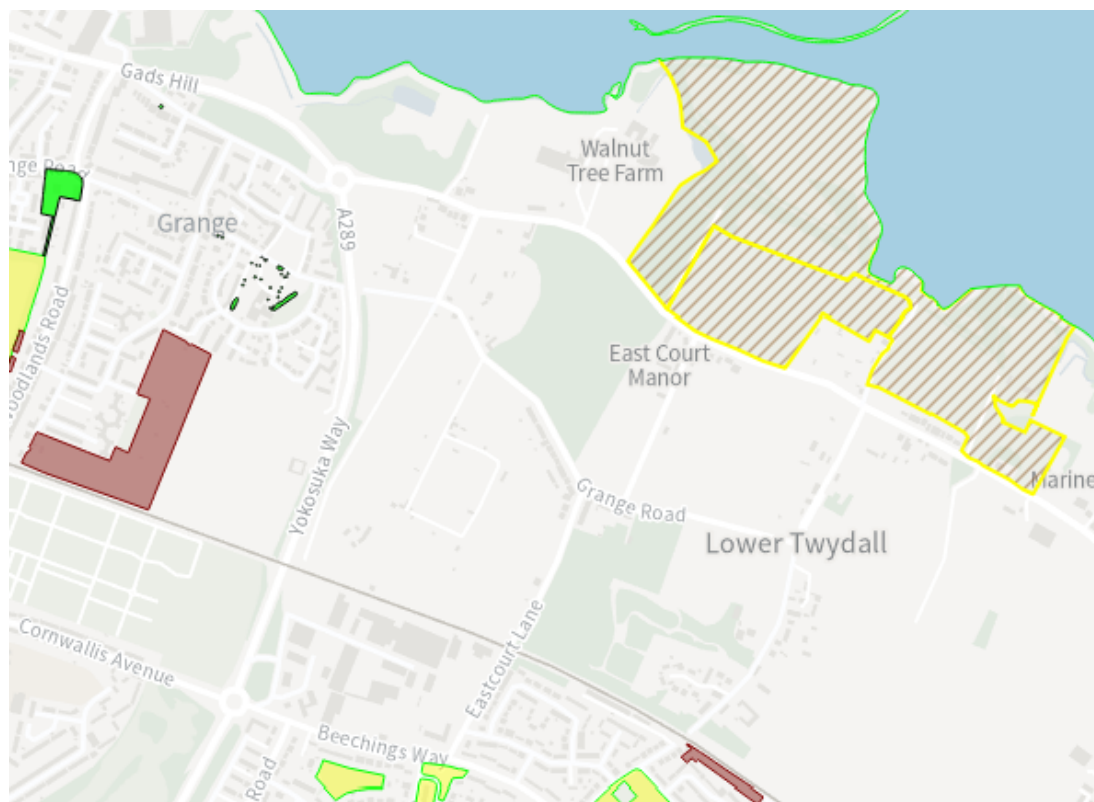


FIGURE 2.2: ENVIRONMENTAL DESIGNATIONS SURROUNDING THE SITE (COURTESY OF CADCORP)

### Sustainability of the Site

- 2.1.10 The town of Gillingham is a recognised urban area and is considered one of the 5 town centres within the urban area of Medway. Gillingham is interconnected with Chatham, Rochester and Strood, with easily accessible public transport connections between the four towns.
- 2.1.11 The towns have a good range of local services, including post offices, convenience stores, restaurants, and doctors surgeries. Key services, such as schools and colleges, supermarkets and hospitals are also located in Rainham and Gillingham in close proximity to the site.
- 2.1.12 There are multiple bus stops located along Lower Rainham Road, with the closest two named Eastcourt Lane North. These bus stops provide hourly services to Chatham and Lower Rainham, with a daily service to Gillingham and Twydall.
- 2.1.13 The closest train stations is Gillingham (Kent) Station which is located 2.4km away. This station provides regular services to London St Pancras, London Victoria, Luton, Dover Priory, Ramsgate, Faversham and Rainham (Kent). The site is therefore considered a sustainable location for public transport.



- 2.1.14 The site is in close proximity to National Cycle Route 1 (route outlined in red), which contains a mix of on road, off road and traffic free, with other on road and off-road routes available in the area (see figure 2.3 below).

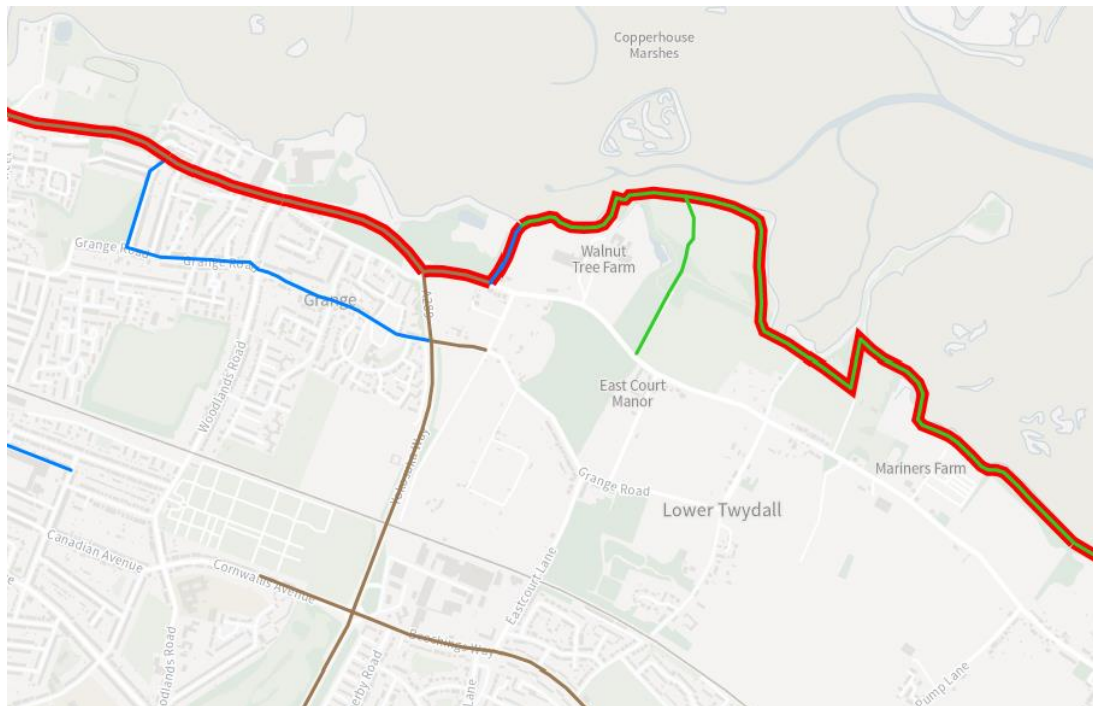


FIGURE 2.3: CYCLE ROUTES SURROUNDING THE SITE (COURTESY OF CADCORP)

## 2.2 OTHER CONSTRAINTS

### Trees

- 2.2.1 The site contains a woodland area to the south, with further trees dotted across the open land. None of these trees are protected by TPOs or designated as ancient woodland.

### Flood Risk

- 2.2.2 The site is located with Flood Zone One and has the lowest risk of flooding.

### Contamination

- 2.2.3 The site is a greenfield site and is therefore not considered to have a likely presence for contamination. This would, therefore, not constrain development.



## Archaeology and Heritage

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- 2.2.4 There are four Grade II Listed Buildings adjacent to the site:
- (1) East Court Farmhouse to the east of the site
  - (2) Magnolia House to the northwest of the site
  - (3) Peckham Cottage to the northwest of the site
  - (4) Peckham Lodge to the northwest of the site
- 2.2.5 Whilst these heritage buildings are in close proximity to the site, the existing vegetation on the boundary of the site would screen the proposed development from the heritage buildings. As such, it is considered that the proposed development would not significantly affect the setting of these buildings.
- 2.2.6 The site is not in close proximity to any conservation areas, and as such will not affect the setting of any conservation areas.
- 2.2.7 Whilst the site's archaeological resource is unknown, standard and proven mitigation exists as part of normal planning practice for all development where there is the potential for impact on non-designated archaeological remains. This ensures that the site's archaeological resource is evaluated before any below-ground impact from construction. This is usually achieved by way of a suitably worded planning condition.

## Deliverability

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- 2.2.8 Sites must be available, suitable and achievable for them to be considered deliverable. These tests are reviewed below.

## Availability

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- 2.2.9 We can confirm that the site is available and that there would be no financial restrictions that would impact the viability of a housing scheme or that would prohibit development within the early stages of the Plan Period.

## Suitability

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- 2.2.10 For reasons set out in this section of the representation, the site is considered suitable for development. In summary, the site lies in close proximity to the existing settlement confines and urban boundary of Gillingham, with pedestrian and cycle routes to day-to-day services and public transport links.

- 2.2.11 Residential development on this site would contribute usefully to the required housing supply for Medway Council's Plan Period.
- 2.2.12 Finally, the site is not constrained by access and infrastructure, flood risk, pollution or contamination.

### *Achievability*

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- 2.2.13 The site is under one ownership; it is a greenfield with limited constraints on the site, and constraints that are presented can be mitigated. Any legal agreements and covenants would not prohibit the ability to bring forward development on this site.
- 2.2.14 Therefore, the site is a greenfield development in a sustainable location that can be delivered within the first five years of the Plan Period.

## 3 RESPONSE TO THE DRAFT CONSULTATION

### 3.1 INTRODUCTION

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- 3.1.1 As set out in Section 1, the site has been submitted at each previous stage of the Local Plan consultation process. The site has not previously been draft allocated within Medway's draft Local Plan and was rejected following the previous Regulation 18 Consultation.
- 3.1.2 This section outlines the responses to the Regulation 18 questionnaires published by Medway Council on behalf of Pickhill. This section concludes that there are no constraints to the site, land to the south of Lower Rainham Road, and as such should be allocated as part of the Regulation 19 Draft Local Plan and delivering much needed new market and affordable homes within a sustainable location across the plan period.

### 3.2 VISION FOR MEDWAY 2041

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- 3.2.1 The plan's vision is more detailed than in the previous consultation exercise undertaken in October 2023, however, the premise of the vision remains. The plan seeks to establish and strengthen Medway's position in the economy and culture of the region, connected to its surrounding coast and countryside, and its rich heritage; with a thriving economy, where residents enjoy a good quality of life and there is a clear strategy for addressing climate change and strengthening natural assets. Growth has been shaped by understanding the area's important historic environment, respecting identity and strengthening distinctiveness.
- 3.2.2 The vision sets out that it wants Medway to be a healthy place where people can live and work.
- 3.2.3 The vision is considered to be contrary to the requirements of the NPPF (para 15), the "Vision" fails to identify the provision of housing as an important component of the Plan as set out in the vision under paragraph 2.1.1 of the consultation document. The vision focuses on the employment needs and existing employment factor of the driver behind the vision. It is set out that there is a broad portfolio of employment sites and derelict sites draining Kingsnorth on the Hoo peninsular, having been transformed into economic hubs as the key facilitator and leading the region's economic recovery and growth. Whilst this is a central part of the vision for Medway this does not excuse the lack of reference to housing and housing need as a central component of the Plan and a determinative matter for the spatial strategy. In not expressing the amount of development that is to be delivered in relation to housing and new employment, the Plan also fails to be positively prepared to provide a suitable framework for addressing housing and employment needs. The "Vision" should be amended to reference housing and employment provisions. The Interim Sustainability Appraisal sets out in Table 5.1 the proposed

growth options for Medway, of which Strategic Growth Option 3 (SGO A3), the Blended Strategy, is the Council's preferred approach, sets out that Medway can deliver up to 23,733 homes across the plan period. This is 4,267 homes under the need of around 28,000 homes set out in the executive summary of the regulation 18b consultation document and 4,579 dwellings below the previously anticipated in the previous Regulation 18a consultation document.

### 3.3 SECTION 2.2 STRATEGIC OBJECTIVES

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- 3.3.1 The full strategic objectives of the plan remain the same as the previous regulation 18a consultation.

#### **Prepared for a sustainable and green future**

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- 3.3.2 Paragraph 2.2.1 sets out that the "*Council needs to clearly define what it wants to achieve from the new Plan – what are the issues to address, and what improvements and changes are sought. These are set out as strategic objectives for the Plan. The objectives will feed into the wording of policies and how sites and different locations are assessed for potential development. The objectives are presented around broad themes for the environment, communities, economy, and investment in infrastructure and design that is fit for the future.*"
- 3.3.3 It is notable that there is no strategic objective dealing expressly with the amount of housing that needs to be delivered. In the absence of clearly setting out what the housing requirement is and whether the Plan is looking to meet its need (which it should, see Section 4), the process of using the stated objectives to inform the Council's assessment of different sites and locations for development cannot be considered as "Positively Prepared" or "Justified", contrary to the NPPF (para 35). It is clearly part of preparing a sustainable future that sufficient housing is delivered.

#### **Supporting people to lead healthy lives and strengthening our communities**

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- 3.3.4 It is noted that within the first bullet point of this objective, it states that the Council will deliver high-quality energy-efficient homes that meet the housing needs of Medway's communities, reflecting a requirement for affordable housing and the range of size and type area needs, including the provision for specialist housing and custom and self-build housing
- 3.3.5 Whilst it is acknowledged that, in general terms, the objective of "Supporting People to Lead Healthy Lives and Strengthening Our Communities" mentions in general terms the types of housing to be delivered, it does not set out how much in the objective. This is a determining factor in deciding what is the most appropriate spatial strategy and should inform the basis of future strategic policies, as required by the NPPF (para 20 and 23).

- 3.3.6 We note that the Council should seek to meet their needs in full, and therefore we consider that there should be clarity provided in this strategic objective as to the housing requirement across the plan period and to demonstrate that the plan is positively prepared and justified in accordance with paragraph 35 of the NPPF.

### **Securing jobs and developing skills for a competitive economy**

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- 3.3.7 This strategic objective seeks to do the following:
- boost the performance of the local economy by supporting local businesses to grow and innovate and attracting inward investment and relocations through the provision of a portfolio of good-quality employment land that meets the needs of businesses; secure and extend higher-value employment opportunities; and reduce out-commuting.
  - Build on existing strengths and expertise, such as engineering, energy and creative industries, and raise the profile of key sectors, to attract and develop the jobs of the future.
  - To significantly improve the skills of the local workforce and capitalise upon the benefits to local businesses; and improve graduate retention.
  - To gain wide recognition of Medway as a centre for learning and its student base; and realise economic and place-making opportunities associated with the cluster of universities and colleges in Medway.
  - To deliver the infrastructure needed for business growth, to provide accessible employment locations and excellent high-speed broadband services.
  - To support growth in tourism, cultural and creative industries, extending the offer to include green tourism and city breaks, including realising opportunities in the domestic tourism market.
- 3.3.8 The principles of the strategic objectives are supported. However, the lack of clarity in housing and employment growth in numerical forms across the plan period required to meet local needs must be expressed as an objective since many of the other objectives are dependent on the delivery of housing, including the ambitions for improved employment floorspace and higher-value employment opportunities, which are also reliant on providing enough housing.

### **Boost pride in Medway through quality and resilient development**

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- 3.3.9 This objective refers to development on brownfield land as part of the ongoing benefits of Medway's regeneration to deliver housing and employment growth. This is supported in NPPF (para 123) which sets out "a clear strategy for

accommodating objectively assessed needs, in a way that makes as much use as possible of previously developed or 'brownfield' land".

- 3.3.10 Whilst this is supported, it is also understood that the objectives do not directly address the need to release brownfield land for urban regeneration as part of a combined strategy for meeting the housing needs of Medway, which also includes suburban expansion, rural development and Green Belt release. We are therefore, still of the opinion that this objective is misleading, appearing to read that urban regeneration is the only objective rather than part of a wider objective for Medway to meet housing needs through the emerging Local Plan.

### Summary

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- 3.3.11 The strategic objectives as currently drafted do not provide a "Sound" basis to inform the development strategy, site selection or future planning policies, they fail to set out the amount of development that is to be planned for. This is fundamental to informing the spatial strategy and policy making, especially with respect to setting strategic policies (NPPF, para 20). The objectives must therefore either be expanded or a new objective added which sets out that the Plan seeks to deliver its full objectively assessed need as a minimum (NPPF, para 11b). The proposed brownfield sites must be allocated, and the Council be willing to take a proactive approach including identifying opportunities to facilitate land assembly, supported where necessary by compulsory purchase powers, where this can help to bring more land forward for meeting development needs on brownfield sites. Urban Regeneration will not meet the objectively assessed need on its own. Therefore, it is also acknowledged that there will need to be Greenfield development if the Council are to realise the delivery of their housing need.

## 3.4 SECTION 2.3 SPATIAL DEVELOPMENT STRATEGY

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- 3.4.1 Paragraph 4 of the spatial development strategy sets out that the Council will prioritise regeneration making the best use of previously developed land and direct investment urban waterfront and centre opportunity areas. We are supportive of the Council's brownfield first approach set out in the development strategy however, given the nature of the housing need it is considered that a blended strategy along with suburban expansion in the development of greenfield sites is also required noting that the latter type of sites will be available and deliverable in the early years of the plan period.
- 3.4.2 It is highlighted that the as 'suburban expansion' and 'greenfield sites' such as the site at Land south of Lower Rainham Road will be available and deliverable in the earlier years of the plan period with brownfield sites generally coming forward in the latter years of the Plan Period as they can have additional constraints affecting deliverability, such as existing uses and remediation.



- 3.4.3 As a minimum, the objective to meet the objectively assessed need in full is required as set out in national policy. If this is not met then this could contribute to a worsening housing supply and affordability, if there is consistent under delivery of housing in this part of Kent (if Gravesham does not meet its needs). Medway Council should therefore work with Gravesham Borough Council to determine if it needs to and/or can accommodate any of its needs (up to 2,000 homes), to ensure the Plan is "Positively Prepared" (NPPF, para 35).
- 3.4.4 The growing need for both market and affordable housing emphasizes the need for the Council to plan to meet its full objectively assessed need, as required by the NPPF (para 11b and para 23), supporting the Government's objectives to significantly boost the supply of homes (NPPF, para 60).
- 3.4.5 Overall Brownfield land and previously developed land are essential for the Plan to deliver development that fully meets Medway's objectively assessed need.

### 3.5 SECTION 3 SPATIAL GROWTH OPTIONS

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#### Section 3.2 Preferred Spatial Growth Option

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- 3.5.1 Figure 1 of the consultation document sets out the SGO's assessed in the sustainability appraisal. These being SGO 1 (Urban Focus), SGO 2 (Dispersed Growth) and SGO 3 (Blended Strategy).
- 3.5.2 Paragraphs 3.1.2 to 3.1.7 summarise the growth options assessed in the Interim Sustainability Appraisal, setting out the proposed strategy options.
- 3.5.3 The Council's Preferred SGO is option 3 (the Blended Strategy). Paragraph 3.1.4 sets out that the strategy:

*Blends regeneration and greenfield development, and is the indicative preferred option. There is a 'brownfield first' focus with regeneration in urban centres and waterfront locations, complemented by range of sites in suburban and rural areas. About half of the development would be on brownfield land. It provides for range of housing and types, and density and heights in regeneration sites would reflect design guidance and heritage constraints, rather than focusing on maximising housing numbers to the detriment of the surrounding amenities and quality.*

- 3.5.4 Whilst our client is generally supportive of this growth option, we would like to point out to the Council that over the course of the plan period, it significantly underdelivered the circa 28,000 homes required and the 1658 homes per annum required to meet Medway's housing need in full. If this option were to be progressed by the Council at the Regulation 19 stage, they would need to find sites that could deliver approximately an additional 4,267 dwellings across the plan period.

- 3.5.5 The Council should therefore look at additional alternative sites within the urban, suburban Green Belt and rural areas to help meet this additional need identified across the plan period. The land south of Lower Rainham Road is an example of a rural greenfield site that would be able to contribute to the quantity of housing delivered during the plan period.

## 4 RESPONSE TO THE DRAFT LOCAL PLAN POLICIES

### 4.1 POLICY S1: PLANNING FOR CLIMATE CHANGE

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**Question 1: The Council could consider setting local standards for development that go beyond national policy/regulations in addressing climate change. What evidence would justify this approach, and what standards would be appropriate?**

---

- 4.1.1 Our client considers that the Council should not go beyond national policy/regulations in addressing climate change. This is because national policy and regulations are continually changing adapting to new and different concerns.
- 4.1.2 We consider that the Council should word policy S1 in a way that is flexible and adaptable enough to meet the ever-evolving requirements of national policy when it comes to meeting the challenges of climate change.

### 4.2 POLICY S2: CONSERVATION AND ENHANCEMENT OF THE NATURAL ENVIRONMENT

---

- 4.2.1 Policy S2 should remain as is, with proposals only having to demonstrate a 10% net gain in accordance with the Environment Act, as required by law.

**Question 2: Do you consider that the Council should seek to go beyond the statutory minimum of a 10% increase in BNG? What evidence can you provide to support your view?**

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- 4.2.2 Our client objects to Medway Council seeking to go beyond the statutory minimum 10% increase in BNG. The delivery of biodiversity net gain above the statutory minimum requirement would be considered to add to abnormal costs causing viability issues for sites as a whole. and is above the legal requirements set out in the Environment Act which came into effect in February 2024 for major developments. If MC wish to exceed the Environment Act's requirement for 10% BNG, this would need to be tested further by the Council. Any requirement should be proportionate to the scale of development proposed, to ensure that development can be viable and fundamentally delivered.

### 4.3 POLICY S3: NORTH KENT ESTUARY AND MARSHES DESIGNATED SITES

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**Question 3: Do you agree that the tariff based strategic approach applied to development within 6 km of the designated areas, supporting the delivery of the Bird Wise SAMMS programme represents an effective means of addressing the potential impact of recreational disturbance on the designated SPA and Ramsar habitats of the Thames, Medway and Swale Estuaries and Marshes.**

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- 4.3.1 Our client does not object to the tariff-based approach applied the development within 6 km of designated areas. Medway Council already opposite rate a contribution for SAMMS payment as part of the development contributions to a section 106 agreement or CIL contribution. The contributions are currently clearly set out within the Developer Contributions Guide which gets updated annually. The proposed approach to policy S3 in our client's future solidifies the approach three local plan policy. We are therefore supportive of such an approach.

### 4.4 POLICY DM2: CONTAMINATED LAND

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- 4.4.1 At this stage, the policy sets out high-level principles of how the Council will seek developments to deal with land contamination and potential risks to human health and the environment.
- 4.4.2 Brownfield sites and previously developed sites, are more prone to contamination. Whilst our client does not object to the policy's principles, the Council must clearly set out what mitigation measures it will require from development in terms of the report submitted as part of any planning application submitted on brownfield and previously developed land.

### 4.5 POLICY DM3: AIR QUALITY

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- 4.5.1 This policy currently sets out that the proposed developments which have the potential to impact on air quality will be expected to be accompanied by air pollution impact assessment and mitigation measures, in accordance with local air quality guidance. Any future draft policy at the Regulation 19 stage the local plan process should set out criteria for which development are required to submit such information i.e. any major planning applications, any applications within an Air Quality Management Area or other criteria is that the Council may consider appropriate. This will give clarity over what technical information is required at any future planning application stage in our client site.

## 4.6 POLICY T1: PROMOTING HIGH QUALITY DESIGN

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- 4.6.1 The premise of this policy is that new development should provide high-quality homes, employment, and other activities in support of sustainable development for the long term, encourage good planning, investment, economic development, and social inclusion in Medway.
- 4.6.2 Paragraphs 131 and 132 of the NPPF seek the creation of high-quality, beautiful and sustainable buildings and places as a fundamental part of the planning and development process and is a key aspect of sustainable development and creating better places to live and work. This paragraph set out that planning policies should be clear about design expectations with a clear design vision reflecting local aspirations.
- 4.6.3 Paragraph 135 of the NPPF sets out the six key criteria which planning policies and decisions should ensure that developments have to facilitate achieving well-designed and beautiful places. These are to ensure that developments:
- (a) will function well and add to the overall quality of the area, not just for the short term but over the lifetime of the development;
  - (b) are visually attractive as a result of good architecture, layout and appropriate and effective landscaping;
  - (c) are sympathetic to local character and history, including the surrounding built environment and landscape setting, while not preventing or discouraging appropriate innovation or change (such as increased densities);
  - (d) establish or maintain a strong sense of place, using the arrangement of streets, spaces, building types and materials to create attractive, welcoming and distinctive places to live, work and visit;
  - (e) optimise the potential of the site to accommodate and sustain an appropriate amount and mix of development (including green and other public space) and support local facilities and transport networks; and
  - (f) create places that are safe, inclusive and accessible and which promote health and well-being, with a high standard of amenity for existing and future users<sup>52</sup>; and where crime and disorder, and the fear of crime, do not undermine the quality-of-life or community cohesion.
- 4.6.4 Paragraph 137 and 138 of the NPPF place importance on design quality, local design codes and the National Model Design Code.
- 4.6.5 Policy T1 as currently drafted provides a checklist for the designing of high quality developments that is reflective of the National planning policy set out in chapter 12 of the NPPF and the relevant paragraphs highlighted above.

- 4.6.6 The Council need to be clear on how this policy, at the Regulation 19 stage, will help develop social cohesion. The policies should set out tangible deliverables which are by every development proposal.
- 4.6.7 The policy sets out that all developments should demonstrate sustainability criteria, such as at least meeting BREEAM standard of 'Very Good' for both energy efficiency and water efficiency, Biodiversity 2020, Building with Nature Standards which define "what good looks like" covering the themes of wellbeing, water and wildlife and other references.
- 4.6.8 We would like to raise concerns that while seeking to ensure that all developments meet the BREEAM 'Very Good' standard for energy and water efficiency; this rating takes a holistic view of the built development on the site and there is no real correlation between meeting such a standard and buildings achieving a carbon neutral status which is what the Council should be aiming to achieve if they want to hit net 0 by 2050. Even if the Council implement such measures, three planning policies bear fundamental compliance in building sustainability due to there being no calculations to account for plug-in power once the buildings are in operation.

#### **4.7 POLICY DM 5: HOUSING DESIGN**

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- 4.7.1 Similar to policy T1 above, this policy sets out a similar checklist approach to ensure that developments meet the relevant standards set out in the policy. We raise concerns that sets out that bullet point 3 of the draft policy sets out that development should "incorporate dementia friendly standards where required". We consider such a policy requirement would be better suited to Policy T4. Moreover, the modern M4 building standards for dwellings can be incorporated into Policy T2: Housing Mix setting out the mix of M4 (2) and M4 (3) homes which are all designed to be adaptable to various different living situations.
- 4.7.2 Bullet point 4 of the policy sets out a minimum requirement for the provision of sufficient natural must be met to meet healthy living standards in its sub point it references that no more than 5% of north facing single aspect homes within any one development will be considered. Whilst the premise of this bullet point is in accordance with paragraph 135 (f) of the NPPF seeking to create places which are of a high standard of amenity for existing and future users we question how the Council have come to the conclusion that no more than 5% of north facing single aspect homes will be considered. Detailed evidence should be provided by the Council to support this approach in any future policy in any Regulation 19 Local Plan.
- 4.7.3 The last bullet point of the draft policy seeks a design for flexible living, successful places are robust and support 'long life and loose fit' neighbourhoods that are flexible and adaptable to rapidly changing circumstances. Our client has concerns regarding the deliverability of this part of the policy. What standards does the Council intend to apply to help determine whether something is flexible living, and what are the key design criteria for long-life and loose-fit neighbourhoods? The

Council should consider the production of the Supplementary Planning Document (SPD) or details within a Design Code to clearly set out how they wish housing standards to meet such fluid design criteria to help applicants understand what is required of a planning application which may help facilitate the long life and loose fit neighbourhoods set out in the policy.

- 4.7.4 Ultimately, the last part of policy DM5 currently appears to be intangible, and the Council needs to provide further guidance about how long-life and loose-fit neighbourhoods will manifest themselves in the Medway towns.

## **4.8 POLICY DM6: SUSTAINABLE DESIGN AND CONSTRUCTION**

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- 4.8.1 The policy states development proposals *"must as a minimum include with the planning application, details of how the proposals will address matters of sustainability both through the construction phase and once completed via submission of a construction management plan and design considerations."*
- 4.8.2 It is queried whether the first part of the policy (i.e. sustainability during the construction phase) is appropriately included within the planning application process. Particularly for major developments, given the time that can pass from planning approval through to commencement, and where the contractor may not be appointed yet, it is not necessarily always possible for a developer to provide this in suitable detail at a premature time. We suggest this is introduced as a planning condition attached to a consent.
- 4.8.3 The draft policy sets out in its last bullet point that *"All residential proposals shall detail how they are seeking to facilitate working from home within the design including access to high-speed broadband/internet."* This part of the policies broadbrush and the Council need to think of the detail of how this policy will manifest itself in practice. It should be for the applicant to provide robust evidence to demonstrate if this is feasible.
- 4.8.4 Evidence presented from NOMIS for employment by occupation between April 23 and March 2024 for Medway sets out that just over half of Medway's workforce (54.1%) work in professional occupations, which are considered white-collar working. With the 45.9% of the workforce working in professions where working from home is less frequent/not appropriate.
- 4.8.5 We therefore consider it is not appropriate for new residential dwellings to make provision for bespoke working from home facilities in residential dwellings where existing areas such as spare bedrooms and other locations in dwellings can be utilised to work from home given the portable nature of professional service work operating in laptops and other devices.
- 4.8.6 We consider that the Council should pursue a policy pursuant to their current adopted policy (Policy ED 10: Working From Home) which sets out that working from home will be permitted provided that it can be demonstrated that there



would not be any detrimental impact/effects on residential amenity, it would not impact upon traffic flows, vehicle parking or the erosion of the residential character of the area.

- 4.8.7 Moreover, we raise concerns with regard to the broadband provision required as part of the policy. There are a number of areas in the Council boundary that will not be able to achieve the desired speeds, particularly in remote rural areas for high broadband speeds. An assessment of speeds and delivery potential should be prepared by the Council prior to submission of the new Draft Local Plan to ensure that the requirement is feasible. If not, the approach should be reviewed so that it is fair and reasonable on the basis of the location of the development.
- 4.8.8 With regards to the requirement for all residential needs to demonstrate how they are seeking to facilitate working from home.
- 4.8.9 The Draft Plan still blanketly places a number of onerous requirements upon 'major development', which by definition captures small to medium sized sites. These sites will be disproportionately burdened, which is likely to have a direct impact either in terms of deliverability, or in forcing smaller sites to pursue schemes that fall below the major development threshold, which in turn will have a direct impact on the delivery of affordable housing. A more proportionate approach to development management policy is therefore required.

## **4.9 POLICY T2: HOUSING MIX**

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- 4.9.1 Policy T2 is considered a strategic policy to ensure that the Council delivers a sustainable and suitable mix of housing to meet local housing needs as set out in the three Local Housing Need Assessments.
- 4.9.2 The Local Housing Needs Assessment (2021), which is part of the evidence base for the Emerging Local Plan, states that 1no. and 3no.bed dwellings are currently the lowest housing stock in the district. The assessment also states that there is an overall need for 30 to 35% of dwellings to be flats within the overall housing mix.
- 4.9.3 Given that our client's site is greenfield land, it can become flexible in terms of meeting the housing stock need throughout the design process.

### ***Question 10: Do you think this policy provides effective guidance on the required housing mix in Medway?***

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- 4.9.4 Given the strategic nature of this policy, it is considered that the policy provides effective guidance, pointing at the Local housing to understand the required site location characteristics.

#### 4.10 POLICY T3: AFFORDABLE HOUSING

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- 4.10.1 It is noted that the Council have an annual net shortfall of 870 affordable dwellings per annum and that this policy seeks to reduce this overall shortfall. Our client welcomes the differentiation policy when delivering affordable housing on greenfield (30%) and brownfield sites (10%).

**Question 11: Do you agree with having a 10% requirement for affordable housing on urban brownfield sites and 30% requirement for affordable housing on greenfield sites and higher value urban locations? What do you consider would represent an effective alternative approach? Do you agree with a varied approach for affordable housing requirements based on the different value areas across Medway?**

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- 4.10.2 It is acknowledged that the delivery of brownfield land can be more financially challenging through abnormal costs and a lower contribution percentage when compared to greenfield sites would appear logical. However, this differing approach should be fully informed through viability testing, should the Council decide to take this approach.

**Question 12: What do you consider would represent an effective split of tenures between social/affordable rent and intermediate/low-cost home ownership housing in delivering affordable housing?**

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- 4.10.3 Our client does not object to the principle of having a percentage split relating to social/affordable rent and intermediate low-cost home ownership. It is considered that the policy should use percentages led by the need requirement set out in Table 7.1 of the Local Housing Needs Assessment to inform the percentages to accompany Policy T3.

**Question 13: What do you consider would represent an effective split of tenures between social/affordable rent and intermediate/low-cost home ownership housing in delivering affordable housing?**

---

- 4.10.4 Paragraph 6.3.13 of the Local Plan consultation document sets out the cascade principle. The preference for on-site delivery of affordable housing then off-site provision on an alternative site is always a last resort. Our client generally agrees with this principle.

#### 4.11 POLICY T9: SELF-BUILD AND CUSTOM HOUSEBUILDING

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- 4.11.1 It is agreed that no self- and custom-built housing should be required in flatted development, as set out in the wording of this policy.

#### **4.12 POLICY T11: SMALL SITES AND SME HOUSEBUILDERS**

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- 4.12.1 Our client welcomes the support offered to smaller sites and SME housebuilders, which provide an integral part of housing delivery. Notably SME housebuilders, who are very often highly localised, deliver higher quality developments which enhance local areas. The policy should make clear that weight will be afforded to the delivery of small sites by SME housebuilders coming forward.
- 4.12.2 The policy does need to make clear the general attributes of these small sites that the Council will consider acceptable.

#### **4.13 VISION FOR ACCESS AND MOVEMENT IN MEDWAY**

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- 4.13.1 It is concerning that opening points on the vision for access and movement in Medway relate to working from home. Our client's comments stating remain the same as they set out under Policy DM 6. It is not appropriate for new residential dwellings to make provision for bespoke working-from-home facilities in residential dwellings where existing areas such as spare bedrooms and other locations in dwellings can be utilised to work from home given the portable nature of professional service work operating in laptops and other devices.

## 5 CONCLUSIONS

- 5.1.1 This representation has been prepared on behalf of Pickhill Developments Ltd in relation to Land South of Lower Rainham Road.
- 5.1.2 The site is in a sustainable location, viable and deliverable within the first five years of the plan period, and of a size and scale that can deliver affordable housing to meet local need in the rural area of Rainham. The site will also contribute positively to the economic and social vitality of the urban areas of Gillingham, Chatham, Rochester and Rainham.
- 5.1.3 The Council's preferred approach, the Blended Strategy, sets out that Medway can deliver up to 23,733 homes across the plan period. This is 4,267 homes under the need of around 28,000 homes set out in the executive summary of the regulation 18b consultation document and 4,579 dwellings below the previously anticipated in the previous Regulation 18a consultation document.
- 5.1.4 This growth option does not fully deliver the homes required to meet the Council's housing needs, and therefore the Council needs to allocate additional sites across the district to deliver the additional dwellings across the plan period to fully meet their needs in accordance with para 23 of the NPPF.
- 5.1.5 Our client remains committed to working positively with Medway Council to ensure that the site is allocated within the submission version of the Local Plan and we would welcome the opportunity to discuss the site with Medway Council policy officers prior to the publication of the Regulation 19 submission version of the Local Plan.

planning  
transport  
design  
environment  
infrastructure  
land

# **Medway Council Regulation 18b Consultation Response**

## **Veetee's sites – Medway City Estate**

LAA SITE REF: SR30, SR31 and SR37  
CALL FOR SITES FORM SUBMISSION ID: 222,233,234  
CALL FOR SITES RESPONDENT ID: 394

*REGULATION 18a CONSULTATION ID: 1598*  
**REGULATION 18b CONSULTATION ID: 2794**

**CLIENT: VEETEE**

SEPTEMBER 2024  
DHA/16402



# CONTENTS

<b>1</b>	<b>OVERVIEW.....</b>	<b>3</b>
1.1	SUMMARY .....	3
1.2	OVERVIEW .....	4
<b>2</b>	<b>VISION AND STRATEGIC OBJECTIVES .....</b>	<b>5</b>
2.1	SECTION 2.1 VISION FOR MEDWAY 2041.....	5
2.2	SECTION 2.2 STRATEGIC OBJECTIVES .....	5
2.3	SECTION 2.3 SPATIAL DEVELOPMENT STRATEGY.....	7
<b>3</b>	<b>SPATIAL GROWTH OPTIONS .....</b>	<b>8</b>
3.1	SECTION 3.2 PREFERRED SPATIAL GROWTH OPTION .....	8
<b>4</b>	<b>NATURAL ENVIRONMENT.....</b>	<b>9</b>
4.1	POLICY S1: PLANNING FOR CLIMATE CHANGE .....	9
4.2	POLICY S2: CONSERVATION AND ENHANCEMENT OF THE NATURAL ENVIRONMENT .....	9
4.3	POLICY S4: LANDSCAPE PROTECTION AND ENHANCEMENT .....	10
4.4	POLICY DM2: CONTAMINATED LAND.....	10
<b>5</b>	<b>BUILT ENVIRONMENT.....</b>	<b>11</b>
5.1	POLICY DM 5: HOUSING DESIGN .....	11
5.2	POLICY DM6: SUSTAINABLE DESIGN AND CONSTRUCTION.....	11
<b>6</b>	<b>HOUSING .....</b>	<b>13</b>
6.1	POLICY T2: HOUSING MIX.....	13
6.2	POLICY T3: AFFORDABLE HOUSING .....	13
6.3	POLICY T9: SELF-BUILD AND CUSTOM HOUSEBUILDING.....	14
<b>7</b>	<b>ECONOMIC DEVELOPMENT .....</b>	<b>15</b>
7.1	POLICY S10: ECONOMIC STRATEGY .....	15
7.2	POLICY S11: EXISTING EMPLOYMENT PROVISION .....	15
<b>8</b>	<b>TRANSPORT .....</b>	<b>17</b>
8.1	VISION FOR ACCESS AND MOVEMENT IN MEDWAY .....	17
8.2	POLICY DM15: MONITORING AND MANAGING DEVELOPMENT .....	17
8.3	POLICY T26: ACCESSIBILITY STANDARDS .....	17
<b>9</b>	<b>CONCLUSION .....</b>	<b>19</b>
9.1	OVERALL SUMMARY .....	19

# 1 OVERVIEW

## 1.1 SUMMARY

- 1.1.1 This representation has been prepared on behalf of our client, Veetee, in respect of the ongoing Medway Council Regulation 18b Consultation ('Medway Local Plan 2041').
- 1.1.2 The consultation builds on the responses to the consultation 'Setting the Direction for Medway 2040' in Autumn 2023 (i.e. Regulation 18a), in defining the vision and strategic objectives for the new Local Plan. The current consultation provides more information on proposed policies and options for a development strategy, including the potential sites and broad locations that could form allocations for development in the new Local Plan covering the period up to 2041.
- 1.1.3 Representations have previously been prepared for the Regulation 18a consultation in 2023, and the earlier call for sites submissions.
- 1.1.4 This response relates to the sites identified by the Council as SR30, SR31 and SR37.

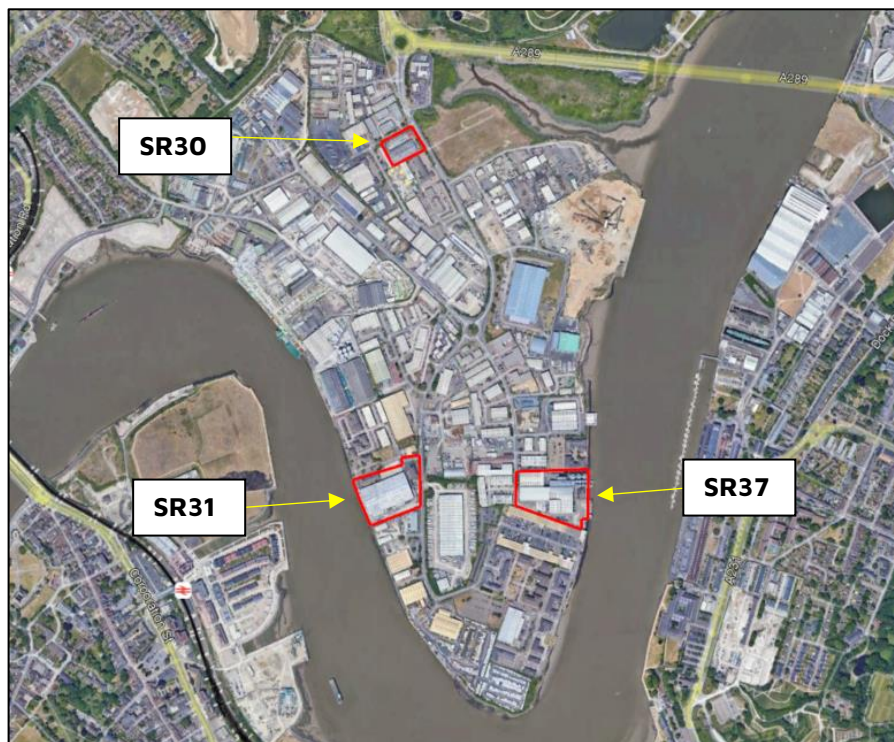


FIGURE 1: INDICATIVE SITE LOCATIONS.



## 1.2 OVERVIEW

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1.2.1 Below is an overview of the structure of the remainder of the consultation response:

- Chapter 2 - Provides feedback on the overall vision strategic objectives of the Local Plan;
- Chapter 3 – Provides feedback on the spatial growth options;
- Chapter 4 – provides commentary on policies in relation to the Natural Environment;
- Chapter 5 – Provides commentary on policies in relation to the Built Environment;
- Chapter 6- Provides feedback on housing policies;
- Chapter 7 – provides feedback on economic development policies;
- Chapter 8 – Provides feedback on Transport policies; and
- Chapter 9 – Sets out the overall conclusions.

## 2 VISION AND STRATEGIC OBJECTIVES

### 2.1 SECTION 2.1 VISION FOR MEDWAY 2041

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- 2.1.1 The vision is contrary to the requirements of the NPPF (para 15), as the "Vision" fails to identify the provision of housing as an important component of the Plan as set out in the vision under paragraph 2.1.1 of the consultation document.
- 2.1.2 The vision focuses on the employment needs and the existing employment as being the main drivers behind the vision, particularly directing employment opportunities to Kingsnorth and the Isle of Grain on the Hoo peninsular. Whilst this is a central part of Medway's vision, it does not justify the lack of reference to housing. Delivering an authority's housing need is a central component of any Local Plan and a determinative matter for the spatial strategy.
- 2.1.3 In not expressing the amount of development that is to be delivered in relation to housing and new employment, the Plan also fails to be positively prepared to provide a suitable framework for addressing housing and employment needs. The "Vision" should be amended to reference housing and employment provisions.
- 2.1.4 The Interim Sustainability Appraisal sets out in Table 5.1 the proposed growth options for Medway, of which Strategic Growth Option 3(SGO A3), the Blended Strategy, is the Council's preferred approach which sets out that Medway can deliver up to 23,733 homes across the plan period. This is 4,267 homes under the need of around 28,000 homes set out in the executive summary of the regulation 18b consultation document and 4,579 dwellings below the previously anticipated in the previous Regulation 18a consultation document.
- 2.1.5 Based on the evidence provided, we do not feel there is justification for the plan to not provide for the full assessed need.

### 2.2 SECTION 2.2 STRATEGIC OBJECTIVES

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#### *Prepared for a sustainable and green future*

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- 2.2.1 Notably, no strategic objective deals expressly with the amount of housing that needs to be delivered. In the absence of clearly setting out what the housing requirement is and whether the Plan is looking to meet Medway's needs (which it should), the process of using the currently drafted objectives to inform the Council's assessment of different sites and locations for development cannot be considered as "Positively Prepared" or "Justified", contrary to the NPPF (para 35).

### ***Supporting people to lead healthy lives and strengthening our communities***

---

- 2.2.2 Whilst it is acknowledged that, in general terms, the objective of “Supporting People to Lead Healthy Lives and Strengthening Our Communities” mentions housing generally, it does not set out how much housing will be provided. This is a determining factor in deciding what is the most appropriate spatial strategy is and should inform the basis of future strategic policies, as required by the NPPF (para 20 and 23).
- 2.2.3 We note that the Council should seek to meet their needs in full, and therefore we consider that there should be clarity provided in this strategic objective as to the housing requirement across the plan period and to demonstrate that the plan is positively prepared and justified in accordance with paragraph 35 of the NPPF.

### ***Securing jobs and developing skills for a competitive economy***

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- 2.2.4 The principles of the strategic objectives are supported. However, the lack of clarity in housing and employment growth in numerical forms required to meet local needs across the plan period must be expressed as an objective since many of the other objectives are dependent on the delivery of housing, including the ambitions for improved employment floorspace and higher-value employment opportunities, which are also reliant on providing enough housing.

### ***Boost pride in Medway through quality and resilient development***

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- 2.2.5 This objective refers to the development of brownfield land as part of the ongoing benefits of Medway’s regeneration to deliver housing and employment growth. This is supported by NPPF (para 123), which states that it is “a clear strategy for accommodating objectively assessed needs, in a way that makes as much use as possible of previously developed or ‘brownfield’ land”.
- 2.2.6 Whilst this is supported, it is also understood that the objectives do not directly address the need to release brownfield land for urban regeneration as part of a combined strategy for meeting Medway's housing needs, including suburban expansion, rural development and Green Belt release. We are, therefore, still of the opinion, as with our previous representation, that this objective is misleading, appearing to read that urban regeneration is the only objective rather than part of a wider objective for Medway to meet housing needs through the emerging Local Plan.
- 2.2.7 Indeed, in direct relation to our clients sites, the allocation of sites on the Medway City Estate and the potential for a wider opportunity area inherently relies on aspects of greenfield development on the Hoo peninsula to accommodate new employment sites.

## 2.3 SECTION 2.3 SPATIAL DEVELOPMENT STRATEGY

---

- 2.3.1 Given the site's location, our client supports the Council's spatial development strategy adopting a brownfield first approach. However, given the nature of the housing need, it is considered that a blended strategy will need to include additional sites than those indicatively allocated as 'suburban expansion' and 'greenfield sites' to meet their objective to meet the objectively assessed need in full as set out in the national policy.
- 2.3.2 It is noted that the 'suburban expansion' and 'greenfield sites' will be available and deliverable in the earlier years of the plan period with brownfield sites such as the Veetee sites coming forward in the latter years of the Plan Period, and potentially in the next plan period.
- 2.3.3 The growing need for both market and affordable housing emphasises the need for the Council to plan to meet its full objectively assessed need, as required by the NPPF (para 11b and para 23), supporting the Government's objectives to significantly boost the supply of homes (NPPF, para 60).
- 2.3.4 The Council should also work with Gravesham Borough Council to determine if it needs to and/or can accommodate any of its needs (up to 2,000 homes) to ensure the Plan is "Positively Prepared" (NPPF, para 35).

## 3 SPATIAL GROWTH OPTIONS

### 3.1 SECTION 3.2 PREFERRED SPATIAL GROWTH OPTION

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- 3.1.1 Our client supports SGO 3 (Blended Strategy) as it seeks to deliver all the submitted allocated sites on the Medway City Estate (1,041 dwellings).
- 3.1.2 However, this growth option does not deliver the 28,000 homes required to fully meet the district's housing needs. The Council needs to allocate additional sites across the district to deliver the additional 4,267 dwellings across the plan period to fully meet their needs in accordance with para 23 of the NPPF.
- 3.1.3 It is noted that the 3 Veetee sites are indicatively allocated at this stage, which our client fully supports. Full site opportunity details are included within the previous representation for the Regulation 18a consultation, including an accompanying vision document.
- 3.1.4 To take this allocation further, it is submitted that Medway Council should allocate the Medway City Estate as an opportunity area for further residential/mixed-use development over the next two plan periods. This would enable the whole of the peninsula to be redeveloped and allow the time for the industrial use to be relocated to Kingsnorth and the Isle of Grain on the Hoo Peninsula, where "*indicative*" allocations are shown on the Policies Maps.

## 4 NATURAL ENVIRONMENT

### 4.1 POLICY S1: PLANNING FOR CLIMATE CHANGE

---

***Question 1: The Council could consider setting local standards for development that go beyond national policy/regulations in addressing climate change. What evidence would justify this approach, and what standards would be appropriate?***

---

- 4.1.1 Our client considers that the Council should not go beyond national policy/regulations in addressing climate change. This is because national policy and regulations are continually changing adapting to new and different concerns.
- 4.1.2 We consider that the Council should word policy S1 in a way that is flexible and adaptable enough to meet the ever-evolving requirements of national policy when it comes to meeting the challenges of climate change.

### 4.2 POLICY S2: CONSERVATION AND ENHANCEMENT OF THE NATURAL ENVIRONMENT

---

- 4.2.1 Policy S2 should remain as is, with proposals only having to demonstrate a 10% net gain in accordance with the Environment Act, as required by law.

***Question 2: Do you consider that the Council should seek to go beyond the statutory minimum of a 10% increase in BNG? What evidence can you provide to support your view?***

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- 4.2.2 Our client objects to Medway Council's seeking to go beyond the statutory minimum 10% increase in BNG. Brownfield sites such as the Veetee sites have higher abnormal costs, and delivering biodiversity net gain above the statutory minimum requirements would be considered to add to these additional costs, causing viability issues for brownfield sites as a whole and is above the legal requirements set out in the Environment Act which came into effect in February 2024 for major developments. If MC wish to exceed the Environment Act's requirement for 10% BNG, this would need to be tested further by the Council. Any requirement should be proportionate to the proposed scale of development to ensure that development can be viable and fundamentally delivered.

### **4.3 POLICY S4: LANDSCAPE PROTECTION AND ENHANCEMENT**

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- 4.3.1 It is noted that waterfront locations on the River Medway are an important area for the natural environment, particular in relation to landscape, heritage and conservation considerations.
- 4.3.2 It is highlighted that should the individual Veetee sites and the wider Medway City Estate be allocated, a masterplan for the site could take into account the considerations relevant to its waterfront location.

### **4.4 POLICY DM2: CONTAMINATED LAND**

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- 4.4.1 At this stage, the policy sets out high-level principles of how the Council will seek developments to deal with land contamination and potential risks to human health and the environment.
- 4.4.2 Brownfield sites and previously developed sites, such as our client's site, are more prone to contamination. Whilst our client does not object to the policy's principles, the Council must clearly set out what mitigation measures it will require from development in terms of the report submitted as part of any planning application submitted on brownfield and previously developed land.



## 5 BUILT ENVIRONMENT

### 5.1 POLICY DM 5: HOUSING DESIGN

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- 5.1.1 Our client is concerned by bullet point 3 of the draft policy. This policy requirement would be better suited to Policy T4. The M4 building standards for dwellings can be incorporated into Policy T2: Housing Mix, setting out the mix of M4 (2) and M4 (3) homes, which are all designed to adapt to various living situations.
- 5.1.2 The last bullet point of the policy seeks a design for flexible living “successful places that are robust and support long life and ‘loose fit’ neighbourhoods that are flexible and adaptable to rapidly changing circumstances”.
- 5.1.3 Our client has concerns regarding the deliverability of this part of the policy. What standards does the Council intend to apply to help determine whether something is flexible living, and what are the key design criteria for long-life and loose-fit neighbourhoods? The Council should consider the production of the Supplementary Planning Document (SPD) or details within a Design Code to clearly set out how they wish housing standards to meet such fluid design criteria to help applicants understand what is required of a planning application which may help facilitate the long life and loose fit neighbourhoods set out in the policy.
- 5.1.4 We have raised earlier comments in respect of the potential for the Medway City Estate to be introduced as an opportunity area over two plan periods, and it would be expected that this would be accompanied by additional design guidance.

### 5.2 POLICY DM6: SUSTAINABLE DESIGN AND CONSTRUCTION

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- 5.2.1 The policy states development proposals “*must as a minimum include with the planning application, details of how the proposals will address matters of sustainability both through the construction phase and once completed via submission of a construction management plan and design considerations.*”
- 5.2.2 It is queried whether the first part of the policy (i.e. sustainability during the construction phase) is appropriately included within the planning application process. Particularly for major developments, given the time that can pass from planning approval through to commencement, and where the contractor may not be appointed yet, it is not necessarily always possible for a developer to provide this in suitable detail at a premature time. We suggest this is introduced as a planning condition attached to a consent.
- 5.2.3 The policy states in its last bullet point that “*All residential proposals shall detail how they are seeking to facilitate working from home within the design, including access to high-speed broadband/internet.*” This part of the policy is broad brush. The Council needs to consider how this policy will manifest itself in practice. It

should be for the applicant to provide robust evidence to demonstrate if this is feasible.

- 5.2.4 Evidence presented from NOMIS for employment by occupation between April 23 and March 2024 for Medway shows that just over half of Medway's workforce (54.1%) work in professional occupations, considered white-collar working. 45.9% of the workforce is working in professions where working from home is less frequent/not appropriate.
- 5.2.5 We, therefore, consider it is not appropriate for new residential dwellings to make provision for bespoke working-from-home facilities in residential dwellings where existing areas such as spare bedrooms and other locations in dwellings can be utilised to work from home given the portable nature of professional service work operating in laptops and other devices.

***Question 9: Should this policy be broadened out to areas adjacent or near to Conservation Areas rather than only within? If so, please explain why.***

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- 5.2.6 Our client does not agree that the policy should be broadened to any specific areas adjacent to Conservation Areas. The reason is that it is a matter of planning judgement combined with the nature and scale of the proposal as to whether it would impact a Conservation Area within close proximity to the site and should be considered by the planning officer on an individual case-by-case basis.

## 6 HOUSING

### 6.1 POLICY T2: HOUSING MIX

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- 6.1.1 Policy T2 is considered a strategic policy to ensure that the Council delivers a sustainable and suitable mix of housing to meet local housing needs as set out in the three Local Housing Need Assessments.
- 6.1.2 The Local Housing Needs Assessment (2021), which is part of the evidence base for the Emerging Local Plan, states that 1no. and 3no.bed dwellings are currently the lowest housing stock in the district. The assessment also states that there is an overall need for 30 to 35% of dwellings to be flats within the overall housing mix.
- 6.1.3 Given that our client's sites individually are brownfield sites between 0.6ha-1.9ha in size, it is considered that the majority of the dwellings proposed as part of the area would come forward as flats. Cumulatively, it is anticipated that the Medway City Estate coming forward as an opportunity area, noting its urban location, would promote a mid-to-high density character area, which will positively contribute to the overall range set out in the Housing needs assessment at table 7.1.

***Question 10: Do you think this policy provides effective guidance on the required housing mix in Medway?***

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- 6.1.4 Given the strategic nature of this policy, it is considered that the policy provides effective guidance, pointing at the Local housing to understand the required site location characteristics.

### 6.2 POLICY T3: AFFORDABLE HOUSING

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- 6.2.1 it is noted that the Council have an annual net shortfall of 870 affordable dwellings per annum and that this policy seeks to reduce this overall shortfall. Our client welcomes the differentiation policy when delivering affordable housing on greenfield (30%) and brownfield sites (10%).
- 6.2.2 Whilst our client welcomes this position, on all sites affordable housing should also be able to be negotiated with the Council on viability grounds if there are significant abnormal costs associated with developing the site.

***Question 11: Do you agree with having a 10% requirement for affordable housing on urban brownfield sites and 30% requirement for affordable housing on greenfield sites and higher value urban locations? What do you consider would represent an effective alternative approach? Do you agree***

***with a varied approach for affordable housing requirements based on the different value areas across Medway?***

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- 6.2.3 Please refer to the comments set out in the submission of the policy T3 affordable housing. The client welcomes that brownfield sites will deliver a lesser percentage of affordable homes. However, given the increased number of abnormal cross-resistances associated with developing brownfield sites, which could impact the viability of a feature scheme, this should still be able to be negotiated with the council through the course of an application. Viability grounds should be available on all sites as required, otherwise some sites may be prevented from coming forward, including greenfield.
- 6.2.4 It is important to highlight that given Medway Council's reliance on large scale greenfield sites to deliver some of their required housing numbers, in particularly for the earlier years of the planning period, it is important that this affordable level is not set at such a high level to discourage developers coming forward.

***Question 12: What do you consider would represent an effective split of tenures between social/affordable rent and intermediate/low-cost home ownership housing in delivering affordable housing?***

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- 6.2.5 Our client does not object to the principle of having a percentage split relating to social/affordable rent and intermediate low-cost home ownership. It is considered that the policy should use percentages led by the need requirement set out in Table 7.1 of the Local Housing Needs Assessment to inform the percentages to accompany Policy T3.
- 6.2.6 The Council should engage with Registered Providers in the area on this matter.

***Question 13: Do you have any views on the delivery of affordable housing, and the cascade principle? What evidence can you provide to support your views?***

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- 6.2.7 Paragraph 6.3.13 of the Local Plan consultation document sets out the cascade principle, which is preference for on-site delivery of affordable housing then off-site provision on an alternative site where appropriate. Common sense needs to be applied to ensure units are attractive to providers.

### **6.3 POLICY T9: SELF-BUILD AND CUSTOM HOUSEBUILDING**

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- 6.3.1 It is agreed that no self- and custom-built housing should be required in flatted development, as set out in the wording of this policy.

## 7 ECONOMIC DEVELOPMENT

### 7.1 POLICY S10: ECONOMIC STRATEGY

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- 7.1.1 Paragraph 7.2.5 of the consultation Local Plan states that there is significant potential for the regeneration redevelopment of employment sites on the Hoo Can Peninsula, particularly at the Isle of Grain and the former Kingsnorth Power Station site. The Veetee sites should form part of the wider regeneration of Medway City Estate through a development framework/masterplan or an opportunity area for regeneration.
- 7.1.2 The opportunities set out in paragraph 7.2.5 of the Consultation Local Plan at Kingsnorth and The Isle of Grain provide opportunities for the relocation of Industrial (E (g)(ii), E (g)(iii) (formerly B1b and B1c)) and warehouse (B8) uses to these locations to facilitate the regeneration of the Medway City Estate into a destination for residential led mixed-use development. Therefore, it is considered that bullet point 2 of Policy S10 should be rewritten as follows:

*Industrial (E (g)(ii), E (g)(iii) (formerly B1b and B1c)) and warehouse (B8) uses will be located on the periphery of Medway close to the existing strategic road network on **allocated sites at Kingsnorth and the Isle of Grain on the Hoo peninsular or any other allocated sites.***

### 7.2 POLICY S11: EXISTING EMPLOYMENT PROVISION

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- 7.2.1 A 12 month marketing period is considered excessive, given that under the General Permitted Development Order, the conversion of existing employment provision (offices) to residential development does not need a marketing period. It has been common practice for Local Plans to consider a reasonable marketing period to be 6 months.
- 7.2.2 A 6 month period allows a site to be marketed with sufficient time to demonstrate a need for the existing use. A 12 month marketing period is considered excessive when the sites coming forward for the change of use to residential or other use classes are usually due to current businesses being unviable. It seems counterproductive to prolong uses/businesses on such sites where existing businesses are unviable and sites are likely to be empty.
- 7.2.3 The three Veetee sites (SR30, SR31 and SR37) are an "indicative" allocated site shown on the policy maps. Given the nature of the proposed allocation, Policy S11 should not 'bite' as the Council has already considered it suitable, available and deliverable for circa 800 residential units. As such our client considers that the wording of Policy S 11 should be rewritten as follows:

*Where planning permission is required, proposals for the redevelopment or change of use of employment land and buildings to non-employment uses will be supported where **the site is not proposed as an allocation in the Local Plan if:***

- *The existing use is proven to be no longer appropriate or viable.*
- *There is no market interest in the in the site, and it has been market for a reasonable period (of 12 months).*

*Once this has been proven then the site will be considered for loss or redevelopment if one or more of the following criteria apply:*

- *the site is no longer appropriate due to detrimental impact on residential amenity;*
- *proposals should demonstrate how employment opportunities have been maximised and incorporated into a scheme, where possible; and*
- *any redevelopment conforms to the Council's regeneration agenda.*

- 7.2.4 Our client's sites are situated on the Medway City Estate and considered to conform with the Council's regeneration agenda. The strategic objectives of the new Local Plan support a brownfield land first approach for development across the Plan Period and the regeneration of the River Medway's waterfront.

## 8 TRANSPORT

### 8.1 SECTION 9.1: VISION FOR ACCESS AND MOVEMENT IN MEDWAY

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- 8.1.1 It is concerning that opening points on the vision for access and movement in Medway relate to working from home. Our client's comments stating remain the same as they set out under Policy DM 6. It is not appropriate for new residential dwellings to make provision for bespoke working-from-home facilities in residential dwellings where existing areas such as spare bedrooms and other locations in dwellings can be utilised to work from home given the portable nature of professional service work operating in laptops and other devices.
- 8.1.2 It is noted that the Council, as part of their allocation employment sites, is seeking to relocate employment uses from the Medway City Estate to the Hoo Peninsula at Kingsnorth and The Isle of Grain. Therefore, our client supports the Council's seeking a positive movement strategy to facilitate the proposed employment locations on the Hoo Peninsula. This will enable the Medway City Estate to be allocated as an opportunity area for a residential led mixed-use development of the whole peninsular.

### 8.2 POLICY DM15: MONITORING AND MANAGING DEVELOPMENT

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- 8.2.1 Our client's sites on the Medway City Estate are in an urban location close to several district centres, including Strood and Rochester. It is considered that the redevelopment of the sites for residential development has the potential to demonstrate how the vehicle trips proposed from the redevelopment would be 10% lower than proposed in the Strategic Transport Assessment.
- 8.2.2 Given that this assessment has not been fully drafted as part of the evidence base, the overall requirement is not yet fully known so that no detailed commentary can be made on this policy. However, given that the proposal is in the urban centre of Medway and are "indicative" site allocations, the sites are considered exempt from this policy's requirements due to the site's accessible location.

### 8.3 POLICY T26: ACCESSIBILITY STANDARDS

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- 8.3.1 Given that our client's sites are indicatively allocated, in the event that the site was allocated in the submitted local plan it is considered that the site would have been considered against the accessibility standards and found to be sustainably located.
- 8.3.2 We therefore propose the following wording:



*"Strategic and major development proposals for new homes, **where they are not allocated within the local plan**, will describe how they meet the following accessibility standards within 15 minutes for local destinations..."*

- 8.3.3 Flexibility should also be built into the policy to enable, and allow a case-by-case judgement to be made by an Officer where there is general accordance with the standards.

## 9 CONCLUSION

### 9.1 OVERALL SUMMARY

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- 9.1.1 The 3 Veetee sites (Refs. SR 30,31 and 37) are capable of delivering circa 1,000 residential units to help meet the housing needs of Medway Council in a sustainable and suitable location where they can be a catalyst for the further regeneration of the wider Medway City Estate into the creation of a new sustainable mixed-used community in the heart of the Medway Towns, capable of helping to meet the shortfalls in housing delivery identified in this representation.
- 9.1.2 The Medway City Estate has the ability to deliver housing and mixed used development on individual sites in the mid to later stages of the plan period, with the ability to continue to deliver mixed use development into a further plan period through the Wider vision for the Medway City Estate which would include resolving land ownership issues through the creation of a new peninsula master plan and development framework.
- 9.1.3 Our client supports SGO 3 (Blended Strategy) as it seeks to deliver all the submitted allocated sites on the Medway City Estate.
- 9.1.4 Medway Council should allocate the Medway City Estate as an opportunity area for further residential/mixed-use development over the next two plan periods. This would enable the whole of the peninsula to be redeveloped and allow the time for the industrial use to be relocated to Kingsnorth and the Isle of Grain on the Hoo Peninsula, where "*indicative*" allocations are shown on the Policies Maps.
- 9.1.5 The Council's preferred approach, the Blended Strategy, sets out that Medway can deliver up to 23,733 homes across the plan period. This is 4,267 homes under the need of around 28,000 homes set out in the executive summary of the regulation 18b consultation document and 4,579 dwellings below the previously anticipated in the previous Regulation 18a consultation document.
- 9.1.6 This growth option does not fully deliver the homes required to meet the Council's housing needs, and therefore the Council needs to allocate additional sites across the district to deliver the additional dwellings across the plan period to fully meet their needs in accordance with para 23 of the NPPF.



**Medway Local Plan 2041  
Regulation 18 Consultation  
July 2024**

**Representations on behalf of Catesby Estates**

**September 2024**





## Contents

<b>Introduction</b>	<b>3</b>
<b>Response to the Council's Evidence Base</b>	<b>5</b>
<b>Response to Regulation 18 Consultation ("LP2041")</b>	<b>10</b>
<b>Land at Allhallows, Rochester, Medway</b>	<b>24</b>
<b>Appendix 1</b>	Allhallows Vision Document – prepared by Catesby Estates
<b>Appendix 2</b>	Review of Medway Landscape Character Assessment (June 2024) – prepared by LDA Design
<b>Appendix 3</b>	Transport Note – prepared by GTA



## 1.0 Introduction

- 1.1 The following representations are made in response to the Medway Council (the “Council”) Local Plan 2040 (“LP2041”) Regulation 18 Consultation (July 2024) on behalf of Catesby Estates, in respect of its land interests at Allhallows, Rochester, Medway.
- 1.2 These representations should be read alongside representations submitted by Marrons on behalf of Catesby Estates to the earlier Local Plan 2040 (“LP2040”) Regulation 18 Consultation – Setting the Direction for Medway 2040 (September 2023).
- 1.3 These representations should also be read alongside the following supporting documents:
- i. Allhallows Vision Document – prepared by Catesby Estates (**Appendix 1**)
  - ii. Review of Medway Landscape Character Assessment (June 2024) – prepared by LDA Design (**Appendix 2**)
  - iii. Transport Note – prepared by GTA (**Appendix 3**)
- 1.4 As noted within the LP2041, this consultation builds on the responses to the previous LP2040 consultation by defining the vision and strategic objectives for the new Local Plan. The Council is now providing more information on proposed policies and options for a development strategy and the potential sites and broad locations that could form allocations for development in the new Local Plan covering the period up to 2041.
- 1.5 The LP2041 sets out three broad options for growth:
- **SGO1 – Urban Focus** – this seeks to maximise development and density in urban centres and waterfront sites, with some limited growth adjoining existing towns and villages;
  - **SGO2 – Dispersed Growth** – this provides for less urban regeneration and considers development across broader suburban and rural areas; and



- **SGO3 – Blended Strategy** – this promotes a ‘brownfield first’ approach supporting urban regeneration, complemented by greenfield sites in suburban and rural locations to provide for wider housing choice.

1.6 The LP2041 confirms that the Council has identified option SGO3 as its preferred indicative approach and has set out more details of what this strategy could look like in a draft policies map.

1.7 Marrons notes that Catesby Estates’ land interests have been included on the proposals map accompanying the LP2041 consultation (references AS22 and AS18), and identified as preferred sites within Allhallows. It should be noted from the outset that Catesby Estates supports the inclusion of its land and looks forward to working with the Council to bring deliver much needed housing at Allhallows.



## 2.0 Response to the Council's Evidence Base

2.1 The Council has published some evidence base documents in support of the LP2041 consultation. The following are considered most relevant to Catesby Estates and their land interests at Allhallows, which we provide comments on below, referring to the supporting documents noted at paragraph 1.3 above:

- Interim Sustainability Appraisal – June 2024
- Landscape Character Assessment – June 2024
- Strategic Transport Assessment – June 2024
- Viability Assessment – December 2021

### Interim Sustainability Appraisal – June 2024 (“SA”)

2.2 The completion of a SA is a legal requirement set out in Section 19 of the Planning and Compulsory Purchase Act 2004. The SA should assess the likely effects of the Local Plan when considered against alternatives. At Regulation 18 Stage, the SA should test the Local Plan against the proposed sustainable objectives, develop options and alternatives, evaluate the likely effects and consider ways to mitigate adverse effects.

2.3 An Interim SA has been prepared in support of LP2041 consultation. The SA considers the growth options, spatial delivery option and the preferred sites against the 12 proposed Sustainability Objectives.

#### Growth options

2.4 Table 3.1 of the SA confirms two growth options:

- Option 1 – Meet Medway's Local Housing Need and Initial Objective Assessment of Employment Land Need.
- Option 2 – Option 1 plus meeting Gravesham's Unmet Housing Need.

2.5 Marrons notes that Option 2 appears to have been rejected by the SA given the lack of information provided by Gravesham Borough Council, not necessarily on





the merits of the individual options. We therefore consider the Council should more accurately assess the option to provide for unmet need, given the potential for other neighbouring authorities to also have an element of unmet need.

### Spatial Growth Options

- 2.6 The Spatial Growth Options are assessed in Chapter 5 and comprise:
- SGO1 – Urban Focus – maximising brownfield sites
  - SGO2 – Dispersed Growth – higher release of greenfield and green belt sites
  - SGO3 – Blended Strategy – a mix of both brownfield and greenfield/green belt sites.
- 2.7 The conclusion of the SA is that SGO3 is the best performing option. Catesby Estates agrees that this is the most suitable option for the Council to take forward.

### **Landscape Character Assessment – June 2024 (“LCA”)**

- 2.8 The LCA has been prepared to support the LP2041 consultation. As part of the assessment, the LCA has considered the character across different areas and defined them in specific Landscape Character Areas.
- 2.9 In respect of sites AS18 and AS22, these representations are supported by a Review of Medway Landscape Character Assessment, prepared by LDA Design (**Appendix 2**).
- 2.10 LDA Design broadly agree with the LCA and suggest that sites AS18 and AS22 represent a logical location for settlement expansion, fully capable of supporting the recommendations and guidance within the LCA.

### **Strategic Transport Assessment – June 2024 (“STA”)**



- 2.11 The STA has been prepared to support the LP2041 consultation. In respect of sites AS18 and AS22, these representations are supported by a Transport Technical Note, prepared by GTA (**Appendix 3**).
- 2.12 GTA confirm that the southern section of A228 (Peninsular Way) connects to the A229 around Strood / Rochester at Four Elms roundabout, and this junction suffers from congestion at present, as identified in the Strategic Transport Assessment - Traffic Forecasting Report.
- 2.13 Specific solutions are yet to be addressed by the Council but it is important to note that the scale of the forecast issues set out in the STA is related to a 'reasonable worst case' scenario and not to the lower intensity 'vision and validate' approach being promoted by the council in its LP2041 consultation.
- 2.14 The 'reasonable worst case' scenario reported on in the STA was developed to satisfy the requirements of National Highways and Kent County Council when considering potential impacts of development on those parts of the strategic highway network for which they are responsible. Trip rates used in that Strategic Transport Assessment modelling are sourced from TRICS and each site considered is assigned a standard set of trip rates based on the character of the site and its locality.
- 2.15 Catesby Estates' land interests at Allhallows is classified as a Neighbourhood Centre reflecting the range of local facilities available in Allhallows. For the potential up to 350 dwellings, using standard TRICS-based trip rates sourced from the Strategic Transport Assessment, the submission site would only generate about 150 2-way vehicle trips per hour in peak hours in that 'reasonable worst case' scenario.
- 2.16 Regarding the 'vision-and-validate' approach for access and movement, marking a shift from the traditional reasonable worst case 'predict-and-provide' approach, the LP2041 states that further work on the STA will establish a vehicle trip budget, at a lower level than the standard TRICS-based approach. GTA confirm within the Technical Note that all new development is expected to achieve this by



incorporating measures designed to reduce the number of trips made. Following that, measures to deliver greater use of sustainable modes of the residual number of trips should be actively promoted by all proposed developments.

- 2.17 As GTA confirm, sites AS18 and AS22 would provide high quality homes equipped with highspeed broadband enabling and supporting greater home working, attracting highly skilled workers complementing the increased employment promoted in the local plan at Kingsnorth and Grain, and reducing the number of trips as well as the length and impacts of those trips made when physical workplace presence was necessary. Residual trips would be progressively influenced by the measures to be promoted in the site Travel Plan. Together, those approaches would significantly reduce the basic ‘reasonable worst case’ TRICS based estimates of vehicle trips generated.
- 2.18 GTA conclude that sites AS18 and AS22 are well placed to minimise its impacts on Four Elms roundabout and the wider road network and therefore represent a real opportunity to contribute towards early delivery of part of Medway’s housing needs without unacceptable consequences for key parts of Medway’s highway network.

### Viability Assessment – June 2024 (“VA”)

- 2.19 The Council’s explanatory note for the VA explains that the Council is publishing the 2021 VA which was drafted to support the former emerging plan. The Council states that the VA considers potential development sites and policies that were in the emerging draft plan in 2021 (LP2040).
- 2.20 There are now different proposed policies and development sites under consideration in the current LP2041 consultation. The Council notes the range of changes, but is publishing this document for consultation as part of the emerging evidence base for the new Local Plan.



- 2.21 Catesby Estates intended to comment further when an up-to-date VA that relates to the drafted policies and requirements within the LP2041 consultation, is released.
- 2.22 For the purposed of these representations, Marrons notes the commentary within the National Planning Practice Guidance in relation to viability assessments:

*“The role for viability assessment is primarily at the plan making stage. Viability assessment should not compromise sustainable development but should be used to ensure that policies are realistic, and that the total cumulative cost of all relevant policies will not undermine deliverability of the plan.”<sup>1</sup>*

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<sup>1</sup> Paragraph: 002 Reference ID: 10-002-20190509



### 3.0 Response to Regulation 18 Consultation (“LP2041”)

#### Vision for Medway in 2041

- 3.1 The overarching vision within the LP2041 seeks to increase the quality of life for residents of Medway by meeting its growth needs, in full – including housing, employment and community facilities, alongside the necessary infrastructure to support this. The vision aims to create a healthy place to live and work, where communities are connected and located near to services and facilities to meet their day-to-day needs, whilst preserving the character of settlements and the countryside surrounding these.
- 3.2 Catesby Estates supports the Vision identified by the Council and we consider this is best achieved through the adoption of an up-to-date Local Plan.
- 3.3 The LP2041 is supported by a range of strategic objectives and a spatial development strategy, which together seek to achieve the Council’s vision for Medway. These include measures such as providing the variety of homes needed to meet demand; delivering new places, including open spaces to reduce inequalities in health; strengthening sustainable transport opportunities; preserving important nature and landscape assets; and respecting distinct identifies and characteristics of Medway’s settlements as they grow.
- 3.4 Whilst the spatial strategy identifies a priority for regeneration and best use of previously developed land, it concludes at paragraph 3.1.5 of the LP2041 that **“...urban regeneration cannot deliver the full quantum and mix of development needed to support the needs of Medway’s communities and businesses”**. Accordingly, it accepts that development will be required in a range of locations across Medway in order to meet growth needs in full. This includes, as referenced in the strategy, expansion of suburban neighbourhoods and villages, where the principles of sustainable development can be met.



- 3.5 It is noted that the Plan period has been extended to 2041 – an additional year from the previous Regulation 18 consultation. This reflects Paragraph 22 of the National Planning Policy Framework 2023 (the “Framework”) and the requirement for strategic policies to provide a minimum period of 15-years post adoption. Notwithstanding, we suggest that the Council should continue with this approach and further extend the Plan period if necessary; for example, it is noted the LP2041 is now not likely to be submitted for Examination until 2025, which may have implications.

### Spatial Growth Options

- 3.6 As stated above the LP2041 sets out three broad options for growth:
- i. SGO1 – Urban Focus
  - ii. SGO2 – Dispersed Growth
  - iii. SGO3 – Blended Strategy
- 3.7 The consultation reflects that a ‘urban focus’ approach alone is unlikely to meet growth needs in full with only a limited supply of previously developed land available to accommodate this. At paragraph 3.1.6 of the LP2041 the Council confirms that rural and suburban areas offer potential for development and there has been a strong promotion of the sites in these areas. The Council also confirms that it needs to consider “**...large and strategic scale development allocations in the Local Plan to address the communities needs for homes jobs and services**”.
- 3.8 There are however sensitivities across the Medway, including important habitats and landscapes, and the Green Belt, which need consideration. Nevertheless, the Council acknowledges that in order to meet the full scale of needs over the Plan period, complex issues will need to be considered and addressed as part of the development secured, including any mitigation necessary (paragraph 3.1.7 of the LP2041).
- 3.9 The Council identify the blended approach (SGO3) as its preferred strategy for meeting growth needs. Marrons considers this is the right approach, supported
-



by a strong mix of urban, suburban and rural development to deliver the diverse needs of the community. The Council has already commented on the needs of communities being met through larger scale developments and Catesby Estates reiterates comments made in previous representations that such development can help fund key infrastructure improvements, that benefit existing communities and help Medway implement its economic strategy.

- 3.10 Notwithstanding, the delivery of infrastructure improvements must be sustainable in order to keep pace with growth and Catesby Estates suggests this is best achieved by a balanced approach across Medway, in line with the Council's preferred spatial option.

### Housing Need

- 3.11 Marrons welcomes the Council's acknowledgement that the Standard Method is the correct starting point for considering the housing needs the LP2041 should be seeking to address across the Plan period. This is correctly identified at the current Standard Method figure of 1,658dpa which reflects average household growth based on the 2014-based household projects and the appropriate market signals uplift (29%).
- 3.12 The Government is currently consulting on a new approach to the standard method for assessing housing need as part of the recently announced planning reforms, which seek to increase housing delivery nationally in an attempt to combat the current housing crisis. For Medway this would, if adopted, result in a slight reduction in the housing requirement to 1,644dpa.
- 3.13 Aligned with this, the Government is also consulting on key changes to the Framework, one of which is mandating the standard method and allowing councils to only plan for a lower figure where they can demonstrate hard constraints.
- 3.14 Whilst the proposed reforms remain at consultation stage and at the time of writing adopted national policy remains as of December 2023, the direction of travel is





clear. This is further emphasised by the Written Ministerial Statement<sup>2</sup> accompanying the proposed reforms, which is a material consideration in plan-making and decision-taking.

- 3.15 It is therefore imperative that the Council submits a Plan which includes an ambitious, but realistic, strategy for at least meeting housing needs in full (i.e. achieving above 1,644 / 1,658dpa). Marrons does not consider there is any justified reasons for seeking to deliver a lower quantum of growth. Catesby Estates therefore supports the Council's decision to remove the previous LP2040 consultation comments questioning the use of the Standard Method.
- 3.16 Notwithstanding the above, we note that Gravesham Council has made a formal request to Medway to help accommodate its unmet housing needs (2,000 homes). The Interim Sustainability Appraisal (June 2024) ("SA") considers this as a reasonable alternative Growth Option (Section 3) concluding the accommodation of this unmet need alongside meeting Medway's needs in full would have a beneficial effect on the sustainability objective 'Housing' and a negative effect on objectives of 'Landscape and townscape' and 'Natural resources'. This alternative option is rejected on this basis and the Council consider the estimate of unmet need has not been justified by Gravesham (paragraph 3.4.2 of the SA).
- 3.17 We do not intend to analyse Gravesham's unmet need in these representations, as it will be for Gravesham to respond to the Medway's conclusions through ongoing duty to cooperate discussions in the first instance. Nevertheless, there is a clear unmet need in the region with a number of Kent authorities having out-of-date Plans and under-delivering against housing needs, and a significant shortfall in housing delivery across London. We would therefore advise the Council to consider this alongside the preparation of its Plan.

### Interim Sustainability Appraisal (June 2024) ("SA")

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<sup>2</sup> [Written statements - Written questions, answers and statements - UK Parliament](#)



- 3.18 As confirmed at paragraph 1.7 above, the LP2041 has attributed Catesby Estates' land interests with references AS18 and AS22 and identified both as preferred sites within the LP2041.
- 3.19 Table 8.14 of the SA provides the outline reasons for selection. In relation to AS22: ***“The development would help to deliver the vision and the strategic objectives of the new Local Plan. Opportunity for sustainable development, supporting improved services.”***
- 3.20 In relation to AS18: ***“The development would help to deliver the vision and the strategic objectives of the new Local Plan. Opportunity for sustainable development, supporting improved services”.***
- 3.21 The SA lists site AS22 at table 6.1 as one of the 24 'reasonable alternative strategic development sites identified by Medway Council'. AS22 is proposed as 'residential led (mixed-use), with a net area of 32.69ha and a housing capacity of 300 dwellings. This is considered to align with the Vision Document prepared in support of these representations, and therefore the assumptions within table 6.1 of the SA are supported by Catesby Estates.
- 3.22 The SA lists site AS18 at table 6.2 as one of the 335 'alternative development sites identified by Medway Council' (i.e. non-strategic). AS18 is proposed as residential led, with a net area of 1.69ha and a housing capacity of 48 dwellings. This is also considered to align with the Vision Document prepared in support of these representation, and therefore the assumptions within table 6.2 of the SA are supported by Catesby Estates.
- 3.23 Table 6.3 and 8.12 provide a summary matrix of all reasonable alternative strategic sites pre and post-mitigation against the sustainability objectives:



**Table 6.3:** Summary impact matrix of all reasonable alternative strategic sites (pre-mitigation)

Site ref.	Site use	1 Climate change mitigation	2 Climate change adaptation	3 Biodiversity and geodiversity	4 Landscape and townscape	5 Pollution and waste	6 Natural resources	7 Housing	8 Health and wellbeing	9 Cultural heritage	10 Transport and accessibility	11 Education	12 Economy and employment
AS13	Residential led (Mixed-use)	+/-	-	-	-	-	-	++	-	-	-	-	+
AS21	Residential led (Mixed-use)	+/-	-	-	-	-	-	++	-	-	-	-	++
AS22	Residential led (Mixed-use)	+/-	-	-	-	-	-	++	-	-	-	-	++

**Table 8.12:** Summary impact matrix of all reasonable alternative strategic sites (post-mitigation)

Strategic site ref.	Site use	1 Climate change mitigation	2 Climate change adaptation	3 Biodiversity and geodiversity	4 Landscape and townscape	5 Pollution and waste	6 Natural resources	7 Housing	8 Health and wellbeing	9 Cultural heritage	10 Transport and accessibility	11 Education	12 Economy and employment
AS13	Residential led (Mixed-use)	+/-	-	-	-	-	-	++	-	0	-	0	+
AS21	Residential led (Mixed-use)	+/-	+	-	-	-	-	++	-	0	-	+	++
AS22	Residential led (Mixed-use)	+/-	-	-	-	-	-	++	-	0	-	+	++

3.24 In relation to Site AS22 Marrons questions why only minor improvements are shown post-mitigation for objectives 2, 3, 9 and 11 and no improvements are shown for objectives 1, 4, 5, 6, 7, 8, 10 and 12.

3.25 In relation to objective 10 ‘Transport and Accessibility’ and objective 5 ‘Pollution and Waste’ we note that paragraph D.6.6.3 of the SA states **“Site AS22 will increase service frequency and work with local employers to understand shift patterns, as well as working with Arriva to provide access to electric buses. These measures are likely to increase the uptake in sustainable transport and reduce the reliance on private car use, improving local air quality.”**

3.26 It is therefore considered that site AS22 will improve the position in relation to objectives 10 and 5, however, this is not reflected in table 8.12. The accompanying Transport Technical Note, prepared by GTA, confirms that site AS22 is well located to enable and encourage sustainable transport choices and



that a site Travel Plan will be implemented as part of the development, to encourage and promote the use of active travel.

- 3.27 In relation to objective 3 'Biodiversity and Geodiversity', site AS22 will be required to deliver a 10% biodiversity net gain, which is therefore considered to improve the position in relation to objective 3 post development, however, this is not reflected in table 8.12.
- 3.28 In relation to objective 4 'Landscape and Townscape' the accompanying Review of Medway Landscape Character Assessment (June 2024), prepared by LDA Design, confirms that existing settlement edges are not well defined and the landscape would benefit from an improved, strengthened structure. The accompanying review thus concludes: ***"This edge of Allhallows is particularly 'exposed' in the wider landscape and could benefit from a 'stronger' gateway into the village from the south. The Proposed Development therefore provides an exciting opportunity to both create a 'softer' settlement edge and introduce new shelter belts, hedgerows and woodlands into the landscape as endorsed by the guidance."***
- 3.29 It is therefore considered that site AS22 will improve the position in relation to objective 4, however, this is not reflected in table 8.12.
- 3.30 In relation to objective 8 'Health and Wellbeing' the accompanying Vision Document demonstrates significant areas of open space (informal and formal) can be provided, which will not only serve the residents of site AS22 but the whole of Allhallows as well. It is therefore considered that site AS22 will improve the position in relation to objective 8, however, this is not reflected in table 8.12.
- 3.31 Catesby Estates does not agree with the scoring matrix in table 8.12 of the SA and considers this to be at odds with the information available in relation to site AS22, both within the Council's own documentation and those submitted in support of site AS22.

## Questions



- 3.32 The LP2041 proposes a number of questions. Where relevant responses have been provided to some questions below, in relation to Catesby Estates' land interests at Allhallows.

Question 1: The Council could consider setting local standards for development that go beyond national policy/regulations in addressing climate change. What evidence would justify this approach, and what standards would be appropriate?

- 3.33 Catesby Estates does not consider this to be a sound approach. Local standards which differ from national standards and requirements can lead to bespoke approaches needing to be applied. This can impact viability and the ultimate delivery timescales of sites. It is considered that policies can encourage betterment, however, standards should be based on those at a national level. Should the Council wish to set local standards a viability assessment would need to be conducted, and the Council would need to confirm how it has introduced sufficient flexibility to account for changes in technology.

Question 2: Do you consider that the Council should seek to go beyond the statutory minimum of a 10% increase in BNG? What evidence can you provide to support your view?

- 3.34 Catesby Estates does not consider this to be a sound approach. The statutory minimum biodiversity net gain of 10% has been derived following detailed evidence and is widely accepted nationally. Policies can encourage the betterment of the statutory minimum but it should remain as the baseline.
- 3.35 In support of this, the Planning Practice Guidance states the following:

*“Plan-makers should not seek a higher percentage than the statutory objective of 10% biodiversity net gain, either on an area-wide basis or for specific allocations for development unless justified. To justify such policies they will need to be evidenced including as to local need for a higher percentage, local opportunities*



*for a higher percentage and any impacts on viability for development. Consideration will also need to be given to how the policy will be implemented.*<sup>3</sup>

Question 3: Do you agree that the tariff based strategic approach applied to development within 6 km of the designated areas, supporting the delivery of the Bird Wise SAMMS programme represents an effective means of addressing the potential impact of recreational disturbance on the designated SPA and Ramsar habitats of the Thames, Medway and Swale Estuaries and Marshes.

- 3.36 A tariff to support the delivery of the SAMMS programme should be sufficiently evidenced in order to justify:
- The need for the tariff;
  - The type of development that the tariff applies to,
  - The location of the development; and
  - The amount of the tariff.
- 3.37 Should the evidence justify that such a tariff is required, it should be tested within the viability assessment to ensure the inclusion of the tariff does not impact the delivery of the development.

Question 4: Do you consider that Medway Council should identify landscapes of local value as an additional designation in the new Local Plan. What should be the criteria for designation? Are there areas that you would identify as justifying a local valued landscape designation – where and why?

- 3.38 Paragraph 180 of the Framework sets out that planning policies should contribute to and enhance the natural and local environment. Part of this is to protect and enhance valued landscapes. There is therefore no requirement for the Council to specifically designate landscapes of local value.
- 3.39 The Council must also be mindful of the designations that are already in place, such as the statutory Kent Downs National Landscape designation, Special Protection Areas, Local Nature Reserves and Local Wildlife Sites, and consider

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<sup>3</sup> Paragraph: 006 Reference ID: 74-006-20240214



whether the introduction of another designation would benefit or inhibit the planning process.

- 3.40 Should the Council decide to designate any areas, the following criteria set out within the Guidance for Assessing Landscape Designations (Natural England 2021), is considered relevant:
- a) Sufficient evidence should support the designation of any area specifying the landscape qualities of the area.
  - b) Ensure the correct area is designated and not a blanket designation
  - c) Provide clear guidance for how development can come forward within these areas to ensure that the vision and needs for Medway are deliverable

Question 5: Do you agree that the Council should promote Natural England's Green Infrastructure Framework standards in the Medway Local Plan policy?

- 3.41 Catesby Estates supports the inclusion of Natural England's Green Infrastructure Framework Standards within the LP2041. Notwithstanding, sufficient flexibility should be provided to ensure that where the framework is not applicable, or where the framework changes over time, allowance is provided within the Policy.
- 3.42 In relation to sites AS18 and AS22, the accompanying Vision Document demonstrates the intention incorporate a network of greenspaces that are connected to one another and to those outside of the sites. The associated open space will provide a variety of benefits to both existing and future residents.

Question 10: Do you think this policy provides effective guidance on the required housing mix in Medway?

- 3.43 The supporting text to Policy T2 states that the housing mix is informed by the Local Housing Needs Assessment (2021) and that the Council will update this evidence before finalising the Plan to accurately reflect needs. This is considered the correct approach to ensure the policy is informed by the most up to date evidence and Catesby Estates awaits this information before commenting further.





- 3.44 In addition, given the Council's preferred option for growth is a blended strategy, the policy should also allow for considerations pertaining to local market and demand, to ensure there is a correct understanding on what is appropriate in urban areas vs suburban/rural areas. This flexibility is important as urban needs will rarely align with suburban/rural needs.

Question 11: Do you agree with having a 10% requirement for affordable housing on urban brownfield sites and 30% requirement for affordable housing on greenfield sites and higher value urban locations? What do you consider would represent an effective alternative approach? Do you agree with a varied approach for affordable housing requirements based on the different value areas across Medway?

- 3.45 Policy T3 requires different levels of affordable housing based on the value of the area within which a particular site sits. This is 30% provision in high value areas and 10% provision in low value areas, said to have been informed by the Local Plan Viability Assessment.
- 3.46 The Local Plan Viability Assessment (including CIL) – December 2021 concludes that the Residual Value on the greenfield typologies assessed is above the Benchmark Land Value. Paragraph 6.3.11 states:

*"In the areas where viability was challenged, such as urban brownfield sites, a 10% affordable housing rate could be supported. In the stronger market areas, such as the Hoo Peninsula and suburban locations, this rose to 30%. The difference was based on the different land values, house prices and build costs. The 2022 Viability Assessment has informed the content of this draft policy for consultation. The Council notes that there may have been changes in the development market since the preparation of this assessment, and variations in proposed development sites considered in the assessment. The Council will consider comments in relation to viability from this consultation, and address these in updating the evidence base and policy response for the Regulation 19 Pre-Submission Draft Plan."*



3.47 The cost implications of delivering strategic sites which accord with the Council's vision, for example, providing increased areas of open space, biodiversity net gain and access to sustainable transport corridors, will also need to be considered.

3.48 The Council includes the opportunity to provide a viability assessment to justify a lower provision, which is considered a sound approach in order to provide a mechanism to consider this on a site by site basis.

3.49 It is also noted reference is made to a 2022 Viability Assessment, which is not included within the consultation evidence base.

Question 12: What do you consider would represent an effective split of tenures between social/affordable rent and intermediate/low-cost home ownership housing in delivering affordable housing?

3.50 The split of tenures should be informed by up to date housing needs assessments or SHMA. Flexibility should also be incorporated into the policy to allow for the changing circumstances/demand across the Plan period and for differing individual site characteristics.

Question 13: Do you have any views on the delivery of affordable housing, and the cascade principle? What evidence can you provide to support your views?

3.51 Catesby Estates considers that there may be occasions where onsite provision of affordable housing is not suitable or viable and so mechanism for securing off site affordable housing is considered acceptable.

3.52 In relation to the cascade principle, Catesby Estates supports the provision that local people in need of housing in their local area should have first refusal on new affordable housing and that where surplus affordable housing remains, this should then be allocated based on the Council's housing needs register.

Question 15: Do you have any sites you wish to promote for self-build allocation?



- 3.53 Catesby Estates notes the inclusion of its land (site AS22) within Policy T9: Self-build and Custom Housebuilding, for the provision of 5% of the dwellings proposed. This is supported in principle, provided there is an identified need.
- 3.54 Policy T9 states that the landowner/developer is required to market the plots available for self/custom-build for a minimum period of 12 months. The policy then states that if any plot(s) remain unsold after being marketed for this 12 month period, they can either remain for sale as a self/custom build plot or be offered to the Local Authority to acquire for the provision of affordable housing (separate from any relevant affordable housing requirement for the Development as applicable), before reverting back to the land owner to build out on the plot or sell without restriction. To prevent the delay of housing delivery, the Local Authority will be given a time period of three months to acquire the vacant plot(s).
- 3.55 Whilst this mechanism is well considered, should plots not be required by self-builders or the Council, the policy effectively places a pause on these plots for 15 months, before they revert to the landowner/developer. The Council should consider whether this is feasible for the developer to return to these plots after this period has elapsed. It is considered a 12 month period for both self-build and Local Authority interest may be sufficient.
- 3.56 The policy is also designed to cater for self-build need, therefore the ability for the Council to secure these plots for affordable housing will need to be considered in further detail. For example, how will this relate to the construction of the wider site?

### Summary

- 3.57 Medway Council has made positive steps in preparing its emerging Local Plan. It is evident that changes have been made between the LP2040 and LP2041 consultation versions, most of which Catesby Estates is supportive of.
- 3.58 Inevitably, once detail is added to draft policies and objectives, the evidence base becomes paramount. We have identified a number of instances within these



representations where the evidence base does not appear to directly support the conclusions made.

- 3.59 The site matrix, in relation to site AS22, within the SA is considered to present a conservative assessment of the post-mitigation scores associated within the 12 objectives. The matrix must consider the positive enhancements developments can deliver, both for its immediate residents and the wider community. It is considered site AS22 performs better than the SA suggests and this should therefore be revisited.
- 3.60 The affordable housing policy seeks to apply a different provision based on the value of the area: a 10% provision in 'low value' areas and a 30% provision in 'higher value' areas. With such a significant difference in the required provision the Council must ensure that the evidence base is robust.
- 3.61 Currently the evidence appears to be based on land values and does not consider the costs of delivering the Council's vision on strategic-scale greenfield sites – such as increased open space, sustainable transport corridors and improvements to services and facilities. All of which will have an impact on the developable area of a site and the ultimately viability of the scheme. It suggested that this policy is revisited to consider whether there is justification for difference in requirement.



## 4.0 Land at Allhallows, Rochester, Medway

- 4.1 Catesby Estates is continuing to promote its Land interests at Allhallows, Rochester, Medway for residential-led development through the LP2041. The land comprises site references AS18 and AS22, both of which have been identified as preferred sites within the latest LP2041 consultation document.
- 4.2 Catesby Estates supports the inclusion of its land within the LP2041. Sites AS18 and AS22 are capable of early delivery
- 4.3 The supporting Transport Technical Note prepared by GTA confirms that the sites are well located to take advantage of the range of everyday facilities within Allhallows, and the existing and proposed major employment opportunities at Kingsnorth and Grain using sustainable transport connections, offering a genuine choice of sustainable transport modes and minimising traffic generations and the impacts of those on the highway network.
- 4.4 Furthermore, the Technical Note confirms that development sites AS18 and AS22 would be supported by a Travel Plan which would encourage and promote use of those active travel and bus opportunities by targeted measures, potentially including bus vouchers, cycle purchase assistance, cycle hire, dedicated bus connections between the site and major employment centres at Grain and Kingsnorth etc. This will be supported by proportionate contributions, where appropriate, to identified enhancements to existing sustainable connections.
- 4.5 The LP2041 recognises that new development on the Hoo Peninsular is less than likely to impact on the wider road network than development within the larger urban areas (paragraph 9.4.3). The existing and future employment opportunities at Kingsnorth and Grain would satisfy many home-work trips generated by the sites, meaning they are well placed to minimise impacts on Four Elms roundabout and the wider road network.



- 4.6 Critically therefore, there is a real opportunity to contribute towards delivery of Medway's housing needs without unacceptable consequences for key parts of Medway's highway network, or any reliance on the delivery of supporting infrastructure prior to development.
- 4.7 The accompanying Vision Document details the extent of the Site and provides more detail regarding its context, opportunities and constraints, and development potential.
- 4.8 Sites AS18 and AS22 directly adjoin Allhallows' southern and eastern boundaries and provide the opportunity to deliver new homes and facilities to support the growth and function of Allhallows as a self-sufficient and sustainable year-round community, alongside supporting nearby employment growth at Hoo St Werburgh, Grain and Kingsnorth. The land has the capacity to accommodate circa 350 new homes, as confirmed by the LP2041, via a landscape-led development approach.
- 4.9 Figure 3 within the accompanying Vision Document details the Site's immediate context, opportunities and constraints. It also demonstrates the significant caravan/holiday park accommodation that is located within Allhallows, which is considered an issue for its year-round vitality and social prosperity. Given the vision of the LP2040 is to boost economic activity and promote inward commuting patterns, existing settlements such as Allhallows have the opportunity to accommodate new sustainable growth that will benefit existing residents, helping to spread the vision across Medway. Moreover, Allhallows already has key infrastructure such as a primary school and community facilities, therefore the proposed development will help complement the existing services and facilities, making Allhallows a more sustainable community.
- 4.10 Figure 7 within the accompanying Vision Document demonstrates the emerging context of Medway following the publication of the LP2040 consultation. Hoo St Werburgh and the Hoo Peninsula are key areas for Medway, alongside the areas of planned employment growth at Kingsnorth and Isle of Grain. Allhallows is situated on the northern coastline, approximately equidistant from Kingsnorth and Isle of Grain. The location of sites AS18 and AS22 therefore provides a choice of
-



new homes within a commuting distance of two planned employment growth areas, helping link up existing communities with future economic prosperity.

- 4.11 These new homes and year-round population will assist in sustaining the existing services and facilities within Allhallows, as well as supporting enhancements in the range of local services and facilities and therefore the general future sustainability of the settlement. It should be noted that enhanced services and facilities are likely to boost the seasonal population of the holiday parks and lead in to an increase in tourism trade for Allhallows and the surrounding areas.
- 4.12 In addition, Investment in on-demand public transport links between Allhallows, the Isle of Grain, Kingsnorth and importantly Strood (for train links and secondary education facilities) will all be explored as part of the development proposals to further reinforce the sustainability and connectivity of Allhallows within the Hoo Peninsular.
- 4.13 Sites AS18 and AS22 are considered to support the Councils vision, strategic objectives and spatial development strategy. Catesby Estates is therefore fully supportive of the inclusion of their land within the LP2041 and looks forward to bringing the sites forward quickly to meet the demands of Medway.
- 4.14 On behalf of our client, Catesby Estates, we confirm that sites AS18 and AS22 are suitable, available and achievable for the residential led development aspirations outline within the LP2041.
- 4.15 We would be pleased to discuss any element of these representations further with the Council, as appropriate.





## Appendix 1

Allhallows Vision Document – prepared by Catesby Estates

OCTOBER 2023

# ALLHALLOWS MEDWAY:KENT

A SUSTAINABLE LOCATION  
FOR GROWTH

Catesby Estates

part of Urban&Civic

## VISION:

Delivering new homes and facilities to support the growth and function of Allhallows as a self sufficient and sustainable year round community as well as supporting nearby employment growth at Hoo St Werburgh, Grain, and Kingsnorth.



## Contents

Introduction	3	The Emerging Context	8
The Opportunity	4	A Sustainable Location	10
The Concept	6	Supporting The Council's Strategic Objectives	12

Revision	C
Author	AP
Issue Date	18/10/2023



Figure 1. Site Location in Context



# Introduction

To support growth and prosperity of the Medway, and to help Medway Council meet its housing needs, new strategic sites need to be identified to deliver high quality, sustainable growth.

This document presents Catesby Estates' proposals for a new landscape led residential allocation on land parcels to the south east of Allhallows (Figure 1). It is submitted in response to the Council's Regulation 18 Local Plan to 2040 consultation.

This document presents the real opportunity to deliver circa 350 new homes, retail and community facilities set within an enhanced and complementary landscape.

Catesby Estates recognises the economic, ecological and rural characteristics of Allhallows and seeks to work sensitively within this existing framework. This includes:

- The creation of extensive areas of new publicly accessible open space, relieving visitor pressures on existing areas of national and international importance for environmental value.
- Provision of new local services and facilities to support both the existing and new community, while boosting the local economic opportunities.
- Integrating 'green growth' principles within the development to positively tackle climate change; provide for healthier and more sustainable choices of homes, transport and workplaces; and reducing the risk of flooding.



# The Opportunity

The Site being promoted for development is located to the south of Allhallows and comprises three sites (Figure 2).

The northern most site (No. 1) is located to the north of Binney Road and measures 8.10Ha/ 20.02ac. The northern and part of the western boundary of this field abuts a recently approved caravan park scheme and a public open space and recreation area. The rest of the western boundary abuts the rear property boundaries of dwellings fronting St. Davids Road. The eastern boundary of the Site follows the alignment of the now dismantled railway track. A cluster of stables and an associated paddock is located in the south eastern corner of the Site.

The largest of the three sites is located to the south of Binney Road and measures 24.61Ha/ 60.81ac. The Site comprises two agricultural fields with an overhead cable line defining the east to west division of the field. The northern boundary abuts Binney Road and properties and plots fronting Binney Road. The eastern boundary is defined by existing clusters of vegetation. The southern boundary is less well defined but in part is indicated by a field ditch and associated vegetation. The western boundary abuts Stoke Road and is incised by the side and rear boundaries of Stoke Road and Binney Road dwellings.

The smallest of the three site is located to the west of Stoke Road and measures 1.53Ha / 3.78ac. The northern boundary abuts existing side property boundaries of Stoke Road dwellings. To the south the Site abuts the Allhallows Place Touring Park and associated dwellings. The western boundary is open at present with agricultural land continuing beyond the boundary to the west,

Figure 3 and the summary below, illustrates the Sites in the context of Allhallows and indicates the contextual opportunities and constraints that will inform the design approach adopted across the three parcels.

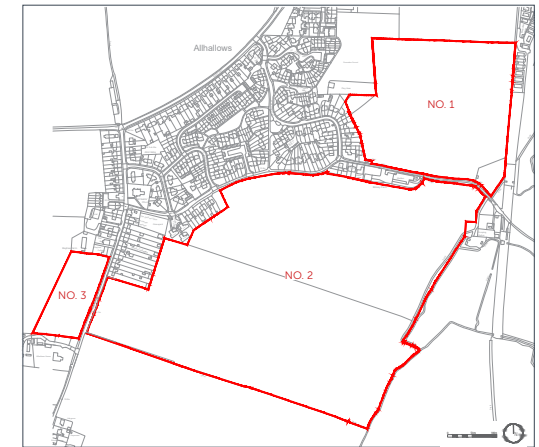


Figure 2. Site Considerations

## Site 1:

### Considerations

- Southern section covered by EA flood zone 2 and 3.
- Limited 'dry' site access opportunities.
- Relationship to existing open space and caravan park.

### Explore

- Future use as public open space, recreation and ecological/ landscape enhancement, supporting an extension to the existing area of open space to the north west.

## Site 2:

### Considerations

- Eastern section covered by EA flood zone 2 and 3.
- Proximity to SSSI and SPA designations.
- Excellent interface with existing settlement edge and roads.
- Close proximity (walking distances) to existing local services and facilities.
- Direct relationship with main route into settlement.

### Explore

- Predominantly residential use out-with flood zone, including locations for new local community facilities to supplement the existing function of the settlement.
- Designed areas for ecological enhancement and protection.

## Site 3:

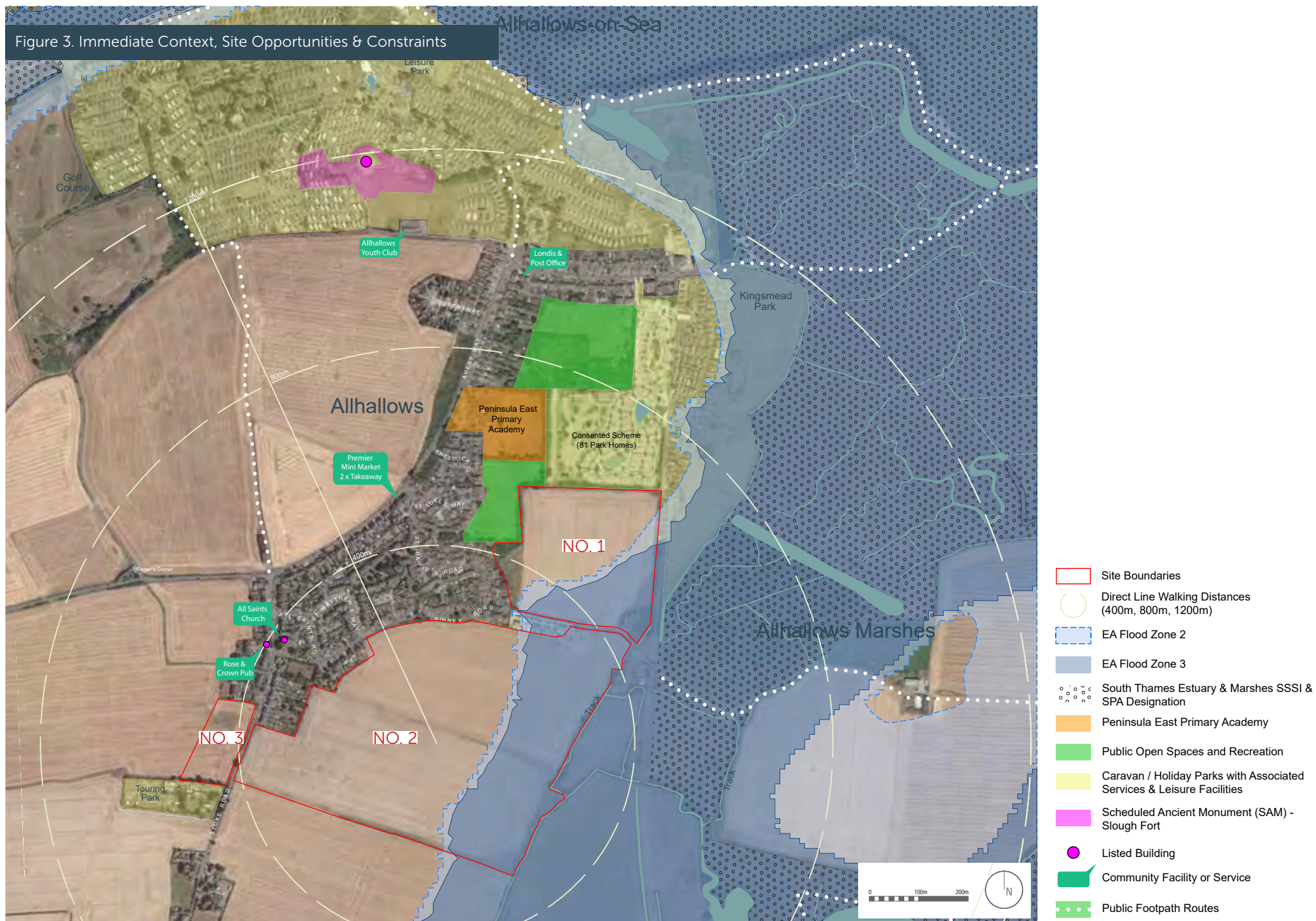
### Considerations

- Excellent interface with existing settlement edge and roads.
- Open and unmarked western boundary.
- Close proximity (walking distances) to existing local services and facilities.
- Direct relationship with main route into settlement.

### Explore

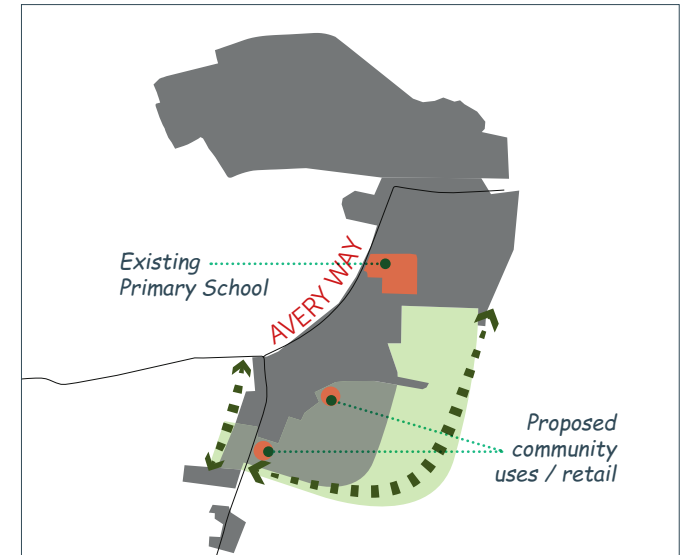
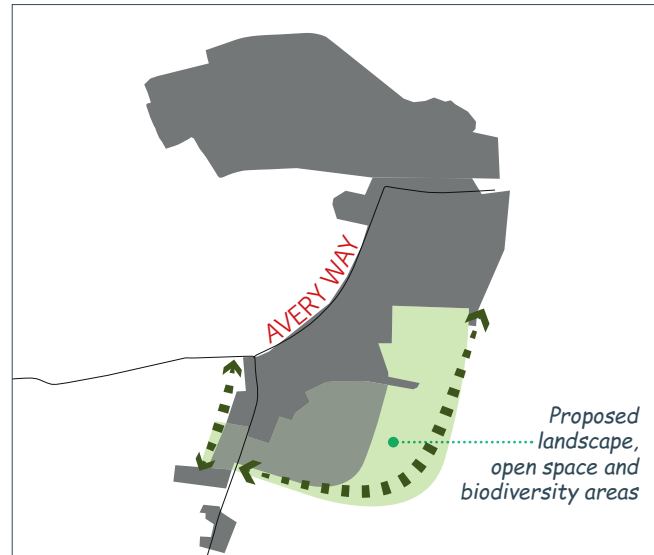
- Creation of a clearly defined western boundary to the settlement.
- Careful relationship with neighbouring uses.

Figure 3. Immediate Context, Site Opportunities & Constraints



# The Concept

The following diagrams illustrate the main principles underpinning the concept plan for the Sites.



## Rounding off the Settlement

- Historically the focus of residential growth in Allhallows has been to the east of Stoke Road and south of Avery Way.
- Proposed development will continue this established direction of growth.
- Existing environmental constraints such as the flood plain support the extent and therefore limit of development within site 2 and 3 and no built development within site 1.

## Delivering New Open Space and Biodiversity

- The areas impacted by flood plain will be retained as open space/ landscape and biodiversity enhancement areas.
- This will create a new and robust landscape edge to the settlement linked to existing landscape corridors and assets.

## New Local Facilities to Support Allhallows

- The existing facilities will be retained to support the existing community.
- The new growth of community will provide new opportunities for community and or additional retail uses.



Figure 4. Indicative Development Concept Plan



- Site Boundary
- 10m— Existing Contours
- Existing Bus Stops
- - - Public Rights of Way
- - - Public Access Route
- Listed Buildings
- - - Extents of Flood Zone 2 & 3
- Primary Access Locations - All Modes
- - - Emergency Access off Binney Road
- Indicative Pedestrian Links
- - - Enhanced Pedestrian Routes to Primary School
- Indicative Residential Development
- ★ Potential Location for a Community Facility
- ★ Potential Location for a Shop and Pub / Restaurant
- Indicative Primary Route
- Public Open Space and Green Infrastructure
- ★ Formal Children's Play
- Surface Water Attenuation Locations



# The Emerging Context

The Medway Council Regulation 18 Local Plan Consultation provides an indication of the preferred Spatial Strategy for the Medway area.

Recognising the assessed need for around 29,000 new homes in Medway to 2040, the plan indicates potential development capacity from Urban Regeneration sites, Suburban Expansion sites and Rural Development Sites. As indicated in Figure 5 Allhallows, and specifically the promotion site, has been identified as offering a potential rural development location to meet the council's housing target. Catesby Estates fully agrees with this as a sound spatial strategy.

Allhallows, is extremely well positioned as a settlement to sustain future growth. The settlement is in close proximity to the Isle of Grain and Kingsnorth (Figure 7), two of the largest existing employment opportunity areas in the district.

These locations are also being promoted by the Council for significant employment growth to support the area's economic growth objectives. Allhallows can offer new high quality homes to accommodate the future employees feeding these employment growth areas with high skilled labour.

At a local level Allhallows has a primary school; community centre, local shops and a series of large local employers at the holiday and touring parks (see Figure 3). New homes and year-round population will assist in sustaining these existing services and facilities, as well as supporting enhancements in the range of local services and facilities and therefore the general sustainability of the settlement as a place serving its day to day requirements.

Investment in on-demand public transport links between Allhallows, the Isle of Grain, Kingsnorth and importantly Strood (for train links and secondary education facilities) will all be explored as part of the development proposals to further reinforce the sustainability and connectivity of Allhallows within the Hoo Peninsular.

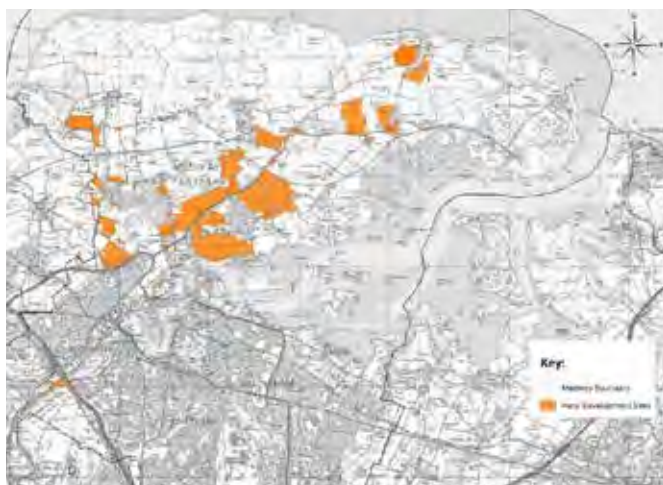


Figure 5. Extract from Medway Council Reg.18 Local Plan to 2040 Consultation Map 3 - overview of potential sites for Rural Development



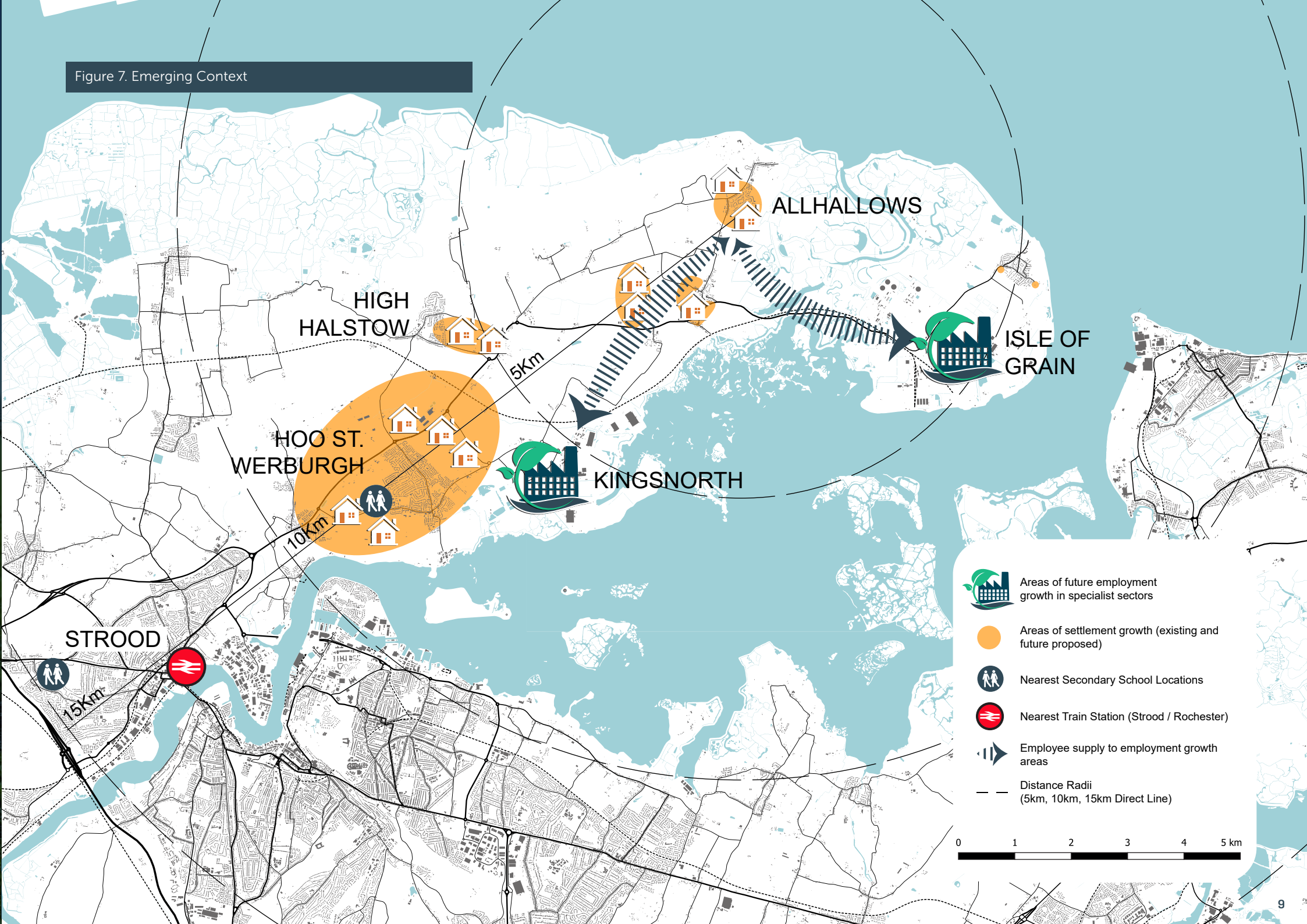
Figure 6. Extract from Medway Council Reg.18 Local Plan to 2040 Consultation Map 5 - overview of potential employment site allocations

**“...the strategic sites at Grain and Kingsnorth on the Hoo Peninsula, [offer] unique opportunities in specialist sectors, such as energy and green technology, and making use of wharfage facilities.”**

*[Para 5.57 Reg 18 Local Plan Consultation]*



Figure 7. Emerging Context





# A Sustainable Location

We recognise that Allhallows is identified as a rural settlement by Medway Council. To support the growth that Medway Council are recommending in this settlement we have explored the functional and sustainable benefits that development can bring to the village particularly in light of the Council's wider Hoo Peninsula growth aspirations.

## Allhallows Settlement Growth

The settlement of Allhallows exists and is largely defined by the seasonal holiday industry in the holiday park and caravan sites. As a result, Allhallows experiences surges in population during the holiday months. This population explosion supports local employment opportunities for residents of the village as well as the prosperity of a good range of existing local facilities. However, during the quieter months the settlement population reduces, as do the seasonal employment opportunities.

By locating new homes in Allhallows, a larger, year-round population will establish. This will support existing facilities in the village. New population will also enable investment in new community facilities. Proposals will explore local need and seek to deliver a new community room, recreation facilities and or additional local retail offer. This will supplement the range of opportunities available and supporting a more self-sufficient and therefore sustainable settlement.

## Hoo Peninsula Growth

In the longer term, growth of population in Allhallows will support the economic growth objectives in the Hoo Peninsula particularly at Kingsnorth and the Isle of Grain by enabling future employees to locate close to large employment hubs.

## Forming Sustainable Movement Links

A bespoke package of sustainable transport measures will be explored and delivered as part of any proposals in Allhallows. These range from local measures to improve local connectivity as well as bespoke strategic measures to support links to employment areas and facilities in local towns.

### Pedestrian and Cycle Accessibility

There are a range of facilities in the area including a primary school, doctors surgery, local shop, church & takeaway all within 700m of the Site (Figure 3). The local streets surrounding the Site provide easy pedestrian links to all the local facilities. New pedestrian links will be provide through the site which The local street network also provides access to the England Coast Path 1.5km to the north of the site. link to these existing footpaths further strengthening access.

Given the relatively low traffic speeds in the area and the close proximity to services it is considered that the existing road/footpath network is suitable for both walking and cycling.

### Public Transport Accessibility

The site has good potential for public transport accessibility, with two bus stops on St. Davids Road, close to the Site.

These stops currently provide a Monday to Friday service between Isle of Grain, the Hundred of Hoo Academy, and Chatham via Strood. This service runs half hourly at Peak times. There is also weekend services which run between Chatham and Isle of Grain hourly up until approx 7:30pm.

Medway Council has also adopted the MY school bus service providing local school students who attend schools within Medway with specific bus services to their school destination. The No. 9 bus service provided by Arriva is currently used by existing children to attend the Hundred of Hoo Academy secondary school.





### Public Transport Enhancements

We will meet with existing operators and explore the options for increasing the existing service frequency to Chatham, Isle of Grain and Rochester, both during the week and at weekends. As part of any enhancement package we will also liaison with key employers in the area (Isle of Grain) to understand work shift patterns and the potential efficacy of an on demand bus service to facilitate movements of shift workers.

Medway Council has aspirations to introduce more electric buses. This site, in collaboration with Arriva and improving technology, has the opportunity to achieve this objective and provide quiet and clean bus services through Allhallows.

Additional local enhancements could include the provision of real time route data and waiting shelters.

### Additional Travel Plan Measures

As part of the on site delivery a package of measures can also be included which could include:

- Local transport hub - a location on the site where features such as car sharing and electric charging are provided and made available for wider village use. Alongside this other features such as e-bike and/or e-scooter rental, bike storage, and lockers could be provided offering a real alternative for short local journeys.
- Travel Vouchers - new households will be offered travel vouchers to encourage the adoption of alternative movement options such as help purchasing e-bikes or annual travel passes

### Future Game Changers

The current and future innovations in transport technology and changing working / shopping habits in a post-Covid-19 era also offer great opportunities to develop a community with a reduced reliance on private motor vehicles and supported by sustainable movement options.

Some new technologies that will be integrated into the development scheme to aid the move to more sustainable transport options include:

- Household electric charging for vehicles.
- Mobility as a Service (MaaS). Through the use of joint digital channels, users can plan, book and pay for multiple types of mobility services, creating linked trips and supporting a move away from personally-owned modes of transportation.
- Smart autonomous deliveries / autonomous pods / drone delivery
- 5G network and superfast broadband support working from home capability and reduce the need for regular commuting patterns.



# Supporting the Council's Strategic Objectives

The Regulation 18 Local Plan Consultation sets out four strategic objectives to help positively plan for the development and infrastructure that the district needs while conserving and enhancing the natural, built and historic environment. The following shows how the proposals for the Sites in Allhallows address and incorporate features to positively support and satisfy the strategic objectives.


## Prepared for a sustainable and green future

- The proposed development will seek to achieve a 'zero carbon' rating through the use of orientation, material choices and housing designs.
- The masterplan has placed all built development outside the Environment Agency's mapped flood plain, as well as incorporating sizeable landscape and ecology buffers to the near by SSSI and RAMSAR SPA areas. Proposed development has also been set back from the delineated flood plain enabling the accommodation of sustainable drainage features (SuDs). The SuDs features will be designed as an integral part of the landscape and nature solution and will restrict surface water flows to the current green field run off rates plus additional design capacity to account for climate change.
- Recognising the desirability of connections from Allhallows to near by employment growth areas at The Isle of Grain, Kingsnorth, and Strood; new sustainable transport solutions will be explored and implemented to support a real shift in transport modes and therefore reduced carbon impacts.
- Opportunities for walking and cycling enhancements, including the extension of existing Public Rights of Way (PROW) and achieving safe routes to school will be fully explored and delivered. This will benefit the new and existing community of Allhallows and provide choices for movement.
- Significant parts of the Site will be given over to green and blue infrastructure accommodating existing natural features and providing positive buffers to the near by SSSI and RAMSAR SPA. These areas will also support the enhancement of nature provision. Areas of open space will also provide new and existing residents with opportunities for walking, recreation and play within a nature setting supporting healthier lifestyles.
- Future development proposals will be accompanied by a waste management strategy detailing the construction and future occupation stage. This will ensure that natural resources are managed effectively and as far up the Waste Hierarchy as possible.

## Supporting people to lead healthy lives and strengthening our communities

- The proposed development will provide new high quality energy efficient homes in an area where existing housing stock performs poorly. A range of house types and sizes will be provided to meet local Medway community needs.
- A proportion of affordable houses will be provided as part of the development and will meet the policy standards of the future adopted local plan. Adaptable homes and specialist homes will also be explored in response to local population projections and needs.
- As already described the level of open space provision will provide a wide range of opportunities for the new and existing community to increase physical activity and mental wellbeing as well as reducing social isolation.
- The increase in permanent population in Allhallows will support the retention and prosperity of existing services and facilities. The development of the Sites also offers an opportunity for new accessible facilities to be accommodated further supporting the ability of the Allhallows community to thrive year round.





***“ The Hoo Peninsula has significant potential for further development, as part of Medway’s wider growth in coming decades. This is shown in the extensive number of sites promoted for development on the peninsula, and the scale of potential sites.”***

*[Para 5.43 Reg 18 Local Plan Consultation]*

### **Securing jobs and developing skills for a competitive economy**

- The location of new high quality homes in Allhallows alongside a robust public transport strategy will attract new population to the area. This in turn will boost the performance of the local economy supporting and growing existing facilities and services.
- The growth of Allhallows will also boost the success of the proposed employment growth areas at The Isle of Grain and Kingsnorth, particularly attracting highly skilled employees to support higher value employment opportunities in jobs of the future, and reducing out-commuting from the area.
- As part of the development proposals, the provision of high speed broadband to each dwelling will be sought. This will support innovation and home working in the area.
- New homes in the Allhallows area will bring new population which can also continue to support the existing tourism industry operating in Allhallows, which could also diversify towards green tourism in light of the South Thames Estuary & Marshes SSSI and SPA designations.

### **Boost pride in Medway through quality and resilient development**

- A key to the success of development at Allhallows will be the provision of new public transport links. New bus services will be provided at the earliest stage of development to ensure that the new population will adopt alternative travel patterns to access work and services.
- Allhallows is already, and will become increasingly sustainable through the delivery of new homes and associated facilities.
- Proposed development in Allhallows will lift the standards of sustainability and quality. Through references to locally distinct, high quality architecture, Kent architectural guidance, and green construction techniques, new development will deliver positive character and distinctiveness while decreasing carbon impacts.
- The public realm associated with the development will be to a high quality and provide people with opportunities for healthier lives and support walking and cycling.



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## Appendix 2

Review of Medway Landscape Character Assessment (June 2024) – prepared by LDA  
Design

# Allhallows, Medway District, Kent – A Proposal for a Sustainable Village Extension

Review of Medway Landscape Character Assessment (June 2024)

September 2024

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**Contents**

1.0 Introduction ..... 1

2.0 The Site ..... 2

3.0 Landscape Character Assessment ..... 4

4.0 Landscape Commentary ..... 6

5.0 Conclusion and Next Steps..... 7

Version: 0.1

Version date: 6<sup>th</sup> September 2024

Comment Final

This document has been prepared and checked in accordance with ISO 9001:2015.

## 1.0 Introduction

LDA Design have been commissioned to Catesby Estates to act as masterplanner and landscape architects in relation to a proposed sustainable village extension at land to the south-east of Allhallows, in Medway District, Kent ('the Site').

The Site is included within the recently published Regulation 18b Local Plan consultation document, which sets out Medway District Council's (MDC) preferred approach to growth.

To date, a Vision Document for the Site has been submitted to Medway District Council as part of their 'call for sites' in Autumn 2023. This included an initial masterplan concept for the Site.

The evidence base for Regulation 18b Local Plan includes an updated Landscape Character Assessment (June 2024 - prepared by LUC) which establishes recommendations and guidance for any future development.

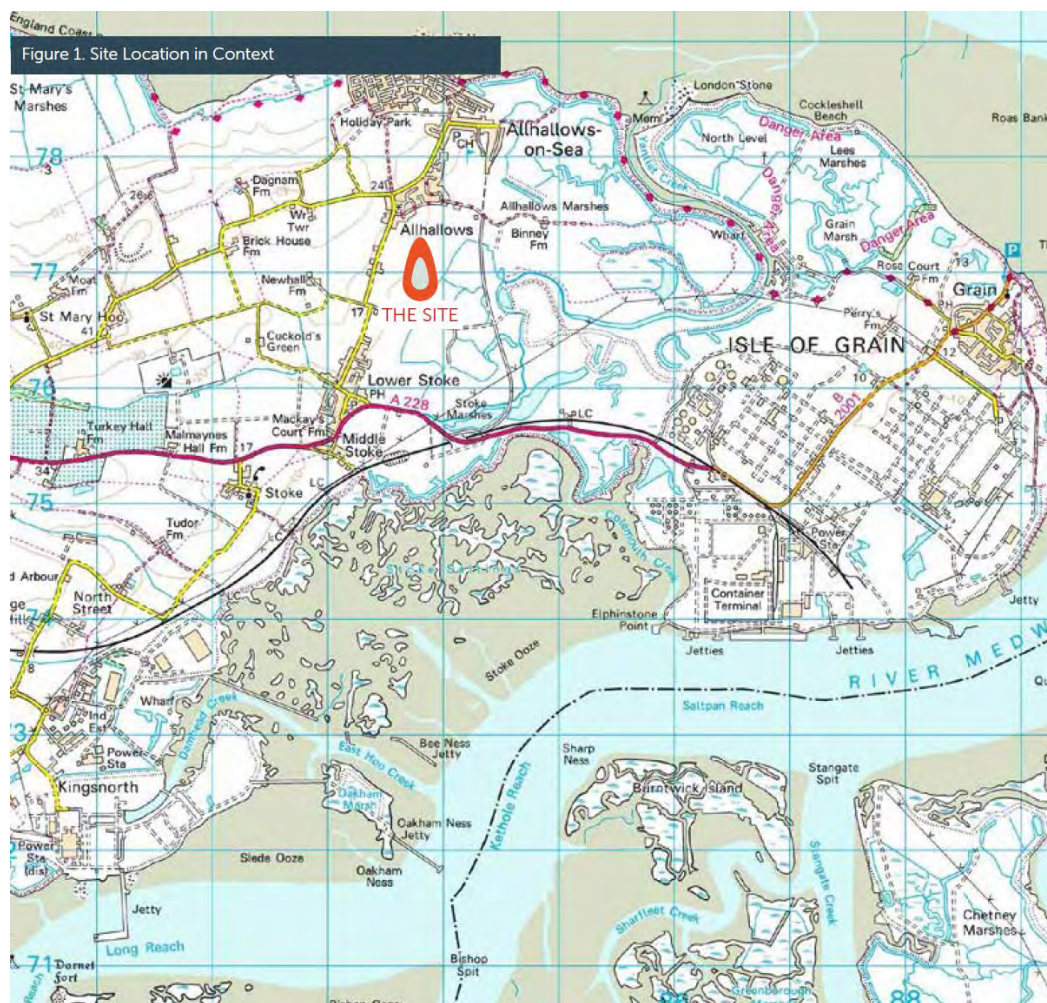
To support Catesby Estates' representations made in response to the Local Plan consultation, LDA Design have reviewed the updated Landscape Character Assessment and considered how this relates to emerging development proposals.

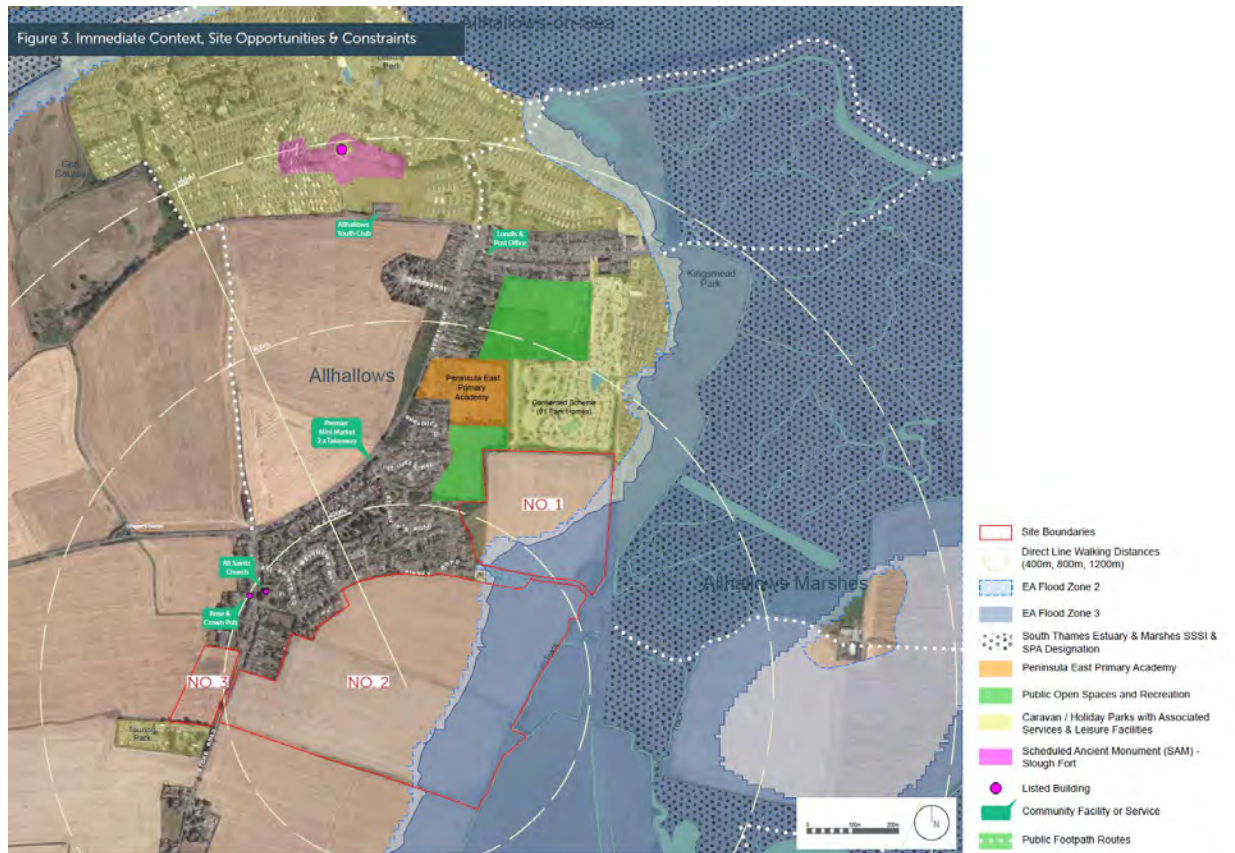
## 2.0 The Site

The Site located to the south-east of Allhallows, adjoining the existing settlement area.

The Site is made of 3 separate but adjoining parcels, which extend between Stoke Road in the south-west; crossing Binney Road; and adjoining the Peninsula East Primary School / an area of park homes around Willow Close. The Site measures around 35ha in total.

The Site location plan and context plan – taken from the original Vision Document – are provided below:







### 3.0 Landscape Character Assessment

The Site is located within LCA G2: Hoo Peninsula as defined by the Landscape Character Assessment 2024.

The key characteristics are as follows:

- *“An open arable landscape of large-scale fields defined by grass margins and often sparse and poorly managed hedgerows; tree cover is limited to occasional remnant woodlands, shelterbelts and orchards, which provide some variety in the landscape. Recent large-scale recent orchard planting at Turkey Hall Farm is an exception.*
- *Settlement pattern of hamlets, villages and scattered farmsteads, often on exposed hills; Connected by a very angular minor road network and a network of PRoW. There are limited PRoW connecting the farmland and marshland, despite the close proximity, and the railway line acts as a physical barrier in the south and south-east.*
- *Time-depth is concentrated in the small villages, such as historic St Mary Hoo, which has a Conservation Area.*
- *Open, exposed landscape with some far reaching views to surrounding areas of higher ground, including Chattenden Ridge and Northward Hill, and across the Medway and Thames estuaries; greater sense of enclosure near orchards and woodland, and along small hedgerow lined lanes.*
- *A series of pylons and the adjacent industrial areas at Isle of Grain and Kingsnorth are significant vertical features in the open landscape. Settlement edges of High Halstow, Allhallows, Lower Stoke and Hoo St Werburgh are not well-integrated into the landscape.*
- *An essentially rural and tranquil landscape, undermined by the presence of the busy A228, pylons, railway line and adjacent industrial uses.”*

**Issues and Changes** – of most relevance to the Site context – include:

- *“Poorly integrated settlement edges at High Halstow, Hoo St Werburgh, Lower Stoke and Allhallows, which are exposed in the open landscape.*
- *Potential for further expansion of surrounding settlements.”*

**Landscape Management Guidance** – of most relevance to the Site context – include:

- *“Consider opportunities to increase the extent of deciduous woodland cover, using locally characteristic species to strengthen biodiversity and local distinctiveness, particularly along major roads and along settlement edges and around other detracting features.*
- *Seek to strengthen the landscape structure by introducing new hedgerows and shelter belts along field boundaries and roads; when establishing new hedges, aim to provide links to the existing hedgerow network and patches of semi-natural habitat in order to promote the movement of species through the landscape; aim to diversify the range of species and select species and provenances adapted to a wider range of climatic conditions.*
- *Seek to strengthen and enhance access opportunities; consider opportunities to improve east-west links through the landscape, including links to the marshlands.”*

**Development Management Guidance** – of most relevance to the Site context– include:

- *“Maintain the sense of openness by resisting proposals for new development that would impact the open undeveloped quality of the landscape; where development is proposed consider siting and design and the use of locally characteristic planting to reduce any impacts.*
- *Avoid additional visually intrusive development, both within the area and outside it, especially at Allhallows and across the Thames estuary in Essex to the north.*
- *Where development is proposed consider appropriate landscape and visual mitigation and look to minimise its impact through careful design, in terms of siting, form, scale, massing, materials and the use of locally characteristic planting.*
- *Conserve the rural setting to the Stokes, High Halstow, Hoo St Werburgh and Allhallows, and conserve the local distinctiveness of historic buildings and their rural setting.*
- *Encourage the integration of existing and new development into the landscape through the use of native shelter belts, hedgerows and woodlands to reflect and reinforce rural character, and strengthen settlement edges.”*

The overall Landscape Strategy for the Hoo Peninsula Open Clay Farmland LCA is to restore the rural landscape, with improved field boundaries and diversity of agricultural land uses, including traditional orchards. Existing and new development should be incorporated into the landscape using appropriate boundary treatments.

## 4.0 Landscape Commentary

LDA Design generally agree with the appraisal of key characteristics and guidance for landscape and development management.

Overall, any new development within the Hoo Peninsula will have an impact on the open character of this landscape, and proposals need to be carefully considered to maintain existing settlement pattern and the 'openness' of the surrounding landscape.

LDA Design judge that the Site relates well to the existing settlement area, following the pattern of development to the east side of Stoke Road / Avery Way, and not extending any further eastward than existing built up area. The extent of the Site – predominately extending eastwards – also ensures that any development will maintain the existing degree of separation between Allhallows and Lower Stoke to the south.

The Site also benefits from a relatively flat topography, meaning any proposed development is unlikely to be especially prominent in the landscape (as would be the case, say, on more elevated ground)

Allhallows Marshes - designated as a SSSI / SPA and largely within Flood Zone 2 - is located to the east of Allhallows, providing a natural barrier to this edge of the settlement and likely to limit any expansion of the built-up area further east. While careful consideration needs to be given to any increased visitor pressure on the Allhallows Marshes, the opportunity exists to protect the integrity of the Marshes through complimentary transitional habitats and alternative spaces for recreation (which could reduce visitor pressure)

The Landscape Character Assessment identifies that existing settlement edges are not well integrated into the landscape, and the landscape would benefit from improved, strengthened structure. This edge of Allhallows is particularly 'exposed' in the wider landscape and could benefit from a 'stronger' gateway into the village from the south. The Site therefore provides an exciting opportunity to both create a 'softer' settlement edge and introduce new shelter belts, hedgerows and woodlands into the landscape as endorsed by the Landscape Character Assessment

Indeed, the emerging masterplan concept includes significant areas of green infrastructure to the eastern edge of the Site, that will allow for landscape enhancements; habitat creation; recreational areas, and new pedestrian route. New routes and spaces would support Landscape Character Assessment objectives for improved access to the wider landscape, and could connect existing spaces and PRow adjacent to the Site.

The green infrastructure could also include new orchards, which – along with allotments - would help restore the diversity of different productive land-uses, and provide an opportunity for local food production.

## 5.0 Conclusion and Next Steps

The Site is included within the recently published Regulation 18b Local Plan consultation document, which sets out MDC's preferred approach to growth.

Based on this initial review, it is considered that the Site represents a logical location for settlement expansion; the emerging masterplan concept could be well integrated into the landscape; and concept is fully capable of supporting the recommendations and guidance of the recently published Landscape Character Assessment.

Over the coming months further work will be undertaken a fully understand the settlement, landscape and visual context, and prepare a fully landscape-led masterplan for the Site. This will include the production of a Landscape and Visual Impact Assessment to support further design development and any future planning application.

Catesby Estates and LDA Design would welcome the opportunity to work closely with MDC (and other stakeholders) to develop the proposals for the Site.



## Appendix 3

Transport Note – prepared by GTA

# Medway Local Plan Reg 18 Consultation Proposed Residential Development Land at Allhallows

## Transport Technical Note





## Index

1	Introduction	2
2	Site Description	3
	Location	3
	Sustainability	3
3	Site Accessibility	5
	Public Transport	5
	Cycling	6
	Walking	7
	Road	7
4	Site Sustainable Transport Strategy	9
5	Summary and Conclusions	10

Issue	Issue date	Compiled	Checked	Authorised
draft	02/09/2024	RN	LNS	LNS
Final draft	03/09/2024	RN	LNS	LNS
FINAL	04/09/2024	RN	LNS	LNS

## 1 Introduction

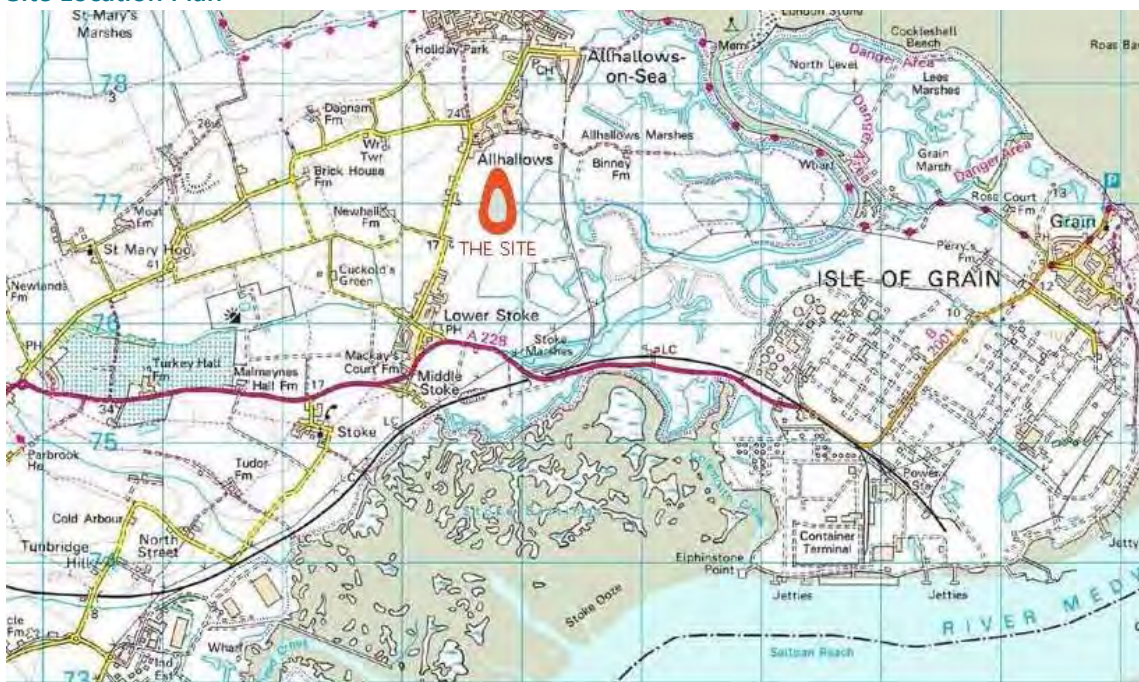
- 1.1 This Transport Technical Note has been prepared in support of representations by Catesby Strategic Land Ltd (Catesby Estates) to the Medway Local Plan Regulation 18 consultation (the draft Medway Local Plan) in relation to land at Allhallows on the Hoo Peninsular which is being promoted for residential-led development (the Proposed Development).
- 1.2 The draft Medway Local Plan states that Medway Council's vision for the Local Plan is to *"strengthen Medway's position in the economy and culture of the region, connected to its surrounding coast and countryside; with a thriving economy, where residents enjoy a good quality of life and there is a clear strategy for addressing climate change and strengthening natural assets"*.
- 1.3 Three growth options are considered: urban focus, dispersed growth and a blended strategy. All options include new employment sites at the existing employment centres at Kingsnorth and Grain on the Hoo Peninsular. The Preferred Option is the blended strategy which includes proposed residential-led development sites including the Proposed Development site at Allhallows.
- 1.4 Medway Council has carried out a sustainability appraisal of the draft Medway Local Plan options. The interim Sustainability Appraisal report has found that the Preferred Option is likely to offer the best balance of sustainability considerations by integrating urban regeneration with suburban and rural development, promoting sustainable travel and addressing the needs of diverse communities.
- 1.5 Chapter 2 "Vision and Strategic Objectives" of the draft Medway Local Plan states the vision for access and movement for the Hoo Peninsular to be:  
  
*"The Hoo Peninsular has reduced car dependency and achieved a higher level of self-containment to facilitate local living in an age of increased remote working, while local employment opportunities are available at Kingsnorth and the Isle of Grain. Travel choice to/from the rural area has been improved through planning and investment in public transport."*
- 1.6 This Transport Technical Note demonstrates that the Proposed Development would strongly support the Council's preferred growth strategy for the Medway area, and its vision for the Hoo Peninsular.

## 2 Site Description

### Location

- 2.1 Allhallows is a village in the northern part of the Hoo Peninsular. To its immediate north there is a large Haven Holiday Park. The Proposed Development site lies off Stoke Road on the southeastern edge of Allhallows. The site location is shown below. The site is currently agricultural land split into three separate parcels. The total site area is capable of delivering circa. 350 dwellings.

### Site Location Plan



### Sustainability

- 2.2 Allhallows village has a wide range of existing facilities which would enable many of the day-to-day requirements of residents at the Proposed Development to be met locally, supporting the draft Medway Local Plan's vision for the Hoo Peninsular to achieve a higher level of self-containment to facilitate local living. Those existing facilities include two convenience stores, a post office counter in one of those stores, a primary school, two take-away restaurants, village hall, youth centre and a church. All are within walking distance of the Proposed Development site. The proposed provision of additional facilities on-site (potentially community or retail) would improve the range available to new and existing residents, reducing the need for all residents to travel outside the village.
- 2.3 The Co-op store at Grain provides a delivery service for larger convenience shopping needs, as do larger stores in mainland Medway. Established major employment centres at Grain and Kingsnorth

are within cycling distance and the draft Medway Local Plan proposes further employment at those centres in all consultation options.

- 2.4 With the range of local facilities, existing and to be provided as part of the Proposed Development, and the proximity of major employment centres, the Proposed Development is very well placed to support the overall sustainability objectives of the draft Medway Local Plan as part of the Preferred 'blended strategy' Option, and to help deliver the draft Plan's vision and strategic objectives for the Hoo Peninsular.

### 3 Site Accessibility

#### Public Transport

- 3.1 There are no rail lines providing passenger rail services on the Hoo Peninsular. The nearest station providing passenger services is at Strood, about 15 km from the Proposed Development site.
- 3.2 The Isle of Grain employment centre is connected by rail to the mainline east of Gravesend. There are no passenger services using the line, having been withdrawn in 1961. Reinstatement of passenger services has been sought by Medway Council and the Grain Branch was included in Network Rail's Kent Area Route Study as part of its 30-year strategic vision, but not a priority proposal for Network Rail and with no sources of third party funding yet identified for what would be an expensive scheme. Policy DM17 in the draft Medway Local Plan safeguards land for new rail infrastructure, including a new station. Sharnal Street has been identified as the only potential site for a new station. Sharnal Street would be within easy cycling distance of the Proposed Development should this option for passenger service reinstatement be further considered in the future.
- 3.3 Re-establishing a Grain Branch passenger rail service is not, however, a key requirement of successful delivery of the draft Medway Local Plan's vision for the Hoo Peninsular. In transport terms the draft Medway Local Plan recognises (at paras 9.4.3 and 9.4.6) that development on the Peninsular is less likely to impact on the wider road network despite some commuters from the Peninsular currently driving to stations at Strood and elsewhere. It also recognises and stresses (at para 9.4.6) the importance of improved bus services in delivering sustainable objectives.
- 3.4 Bus service 191 currently provides a connection between Allhallows and Grain to the east and Chatham, Rochester and Strood to the south. It serves Strood railway station and therefore provides a viable alternative to the car for some rail commuters resident in Allhallows, depending on time of travel. The service is mainly provided by Arriva supplemented by some journeys by ASD Coaches. Current frequencies at Allhallows are hourly on weekday daytimes with no evening service, and hourly / 2 hourly for most of Saturday and Sunday daytimes.
- 3.5 Connections from Allhallows to the Hundred of Hoo Academy secondary school are also provided by a dedicated service as part of Medway Council's My school bus service programme.



### Hoo Peninsular Existing Bus Services



- 3.6 As part of the delivery of the Proposed Development, enhancements to the current service levels would be explored with the bus operators and key employers in the major employment sites on the Peninsular. Existing bus service levels could be enhanced, increasing service frequencies to Chatham and Strood (including the station) and to the major employment centre at Grain, as well as on demand bus services to facilitate movements of shift workers.

### Cycling

- 3.7 National Cycle Network Route NCR 179 (The Heron Route) is shown below. This provides a connection to NCR 1 to the south and to the wider Medway cycle network on a lightly trafficked route described by Sustrans as “correctly signposted, completely flat, most of it on road with a small section traffic-free, all of it perfectly suitable for road bikes”. The Proposed Development is within easy reach of NCR 179, joining via Stoke and the A228 at Christmas Lane.

### NCR 179 Route Map





- 3.8 Current and future employment opportunities at Grain are accessible by cycle for experienced cyclists using the A228 which is a good standard single carriageway.
- 3.9 Medway Council's Local Cycling and Walking Infrastructure Plan (LCWIP), published for consultation in early 2024, sets out the proposed priority improvements necessary to the walking and cycling network across the authority. The LCWIP contains no proposals for walking and cycling networks on the Hoo Peninsular other than at Peninsular Way but developments on the Peninsular including the Proposed Development could provide or contribute proportionately to improved cycling facilities on other roads.

### Walking

- 3.10 Roads in Allhallows are provided with pedestrian footways enabling residents of the Proposed Development to access the wide range of facilities provided locally in Allhallows, therefore supporting the Council's objective to support transport needs locally.
- 3.11 All existing facilities in the village are within easy walking distance of the Proposed Development site. Additional facilities provided as part of the Proposed Development would also be within easy walking distance of the rest of the village.

### Road

- 3.12 The Hoo Peninsular is connected to the main urban centres of Medway via the A228. The southern section of A228 (Peninsular Way) connects to the A229 around Strood / Rochester at Four Elms roundabout. This junction suffers from congestion at present and is identified in the Strategic Transport Assessment - Traffic Forecasting Report (carried out by the Council to inform the draft Medway Local Plan) as being congested in the Reference Case (which includes only committed development with no additional local plan development) and getting worse with the local plan. Specific solutions are yet to be addressed by the Council but it is important to note that the scale of the forecast issues set out in the Strategic Transport Assessment is related to a 'reasonable worst case' scenario and not to the lower intensity 'vision and validate' approach being promoted by the Council in the draft Medway Local Plan.
- 3.13 The 'reasonable worst case' scenario reported on in the Strategic Transport Assessment was developed to satisfy the requirements of National Highways and Kent County Council when considering potential impacts of development on those parts of the strategic highway network for which they are responsible. Trip rates used in that 'reasonable worst case' Strategic Transport Assessment modelling are sourced from TRICS and each potential development site considered is assigned a standard set of trip rates based on the character of the site and its locality. The Proposed

Development is classified as a Neighbourhood Centre reflecting the range of local facilities available in Allhallows. For the potential up to 350 dwellings, and using those standard TRICS-based trip rates, the Proposed Development would only generate about 150 2-way vehicle trips per hour in peak hours in that 'reasonable worst case' scenario.

- 3.14 The draft Medway Local Plan, however, is founded on a place-based 'vision-and-validate' approach for access and movement marking a shift from the traditional reasonable worst case 'predict-and-provide' approach. The draft Medway Local Plan states that further work on the Strategic Transport Assessment will establish a vehicle trip budget, at a lower level than the standard TRICS-based approach, which all new development would be expected to achieve by incorporating measures designed to reduce the number of trips made. Following that, measures to deliver greater use of sustainable modes of the residual number of trips should be actively promoted by all proposed developments.
- 3.15 The Proposed Development would provide high quality homes equipped with highspeed broadband enabling and supporting greater home working, attracting highly skilled workers complementing the increased employment promoted in the draft Medway Local Plan at Kingsnorth and Grain, and reducing the number of trips as well as the length and impacts of those trips made when physical workplace presence was necessary. Residual trips would be progressively influenced by the measures to be promoted in the site Travel Plan. Together, those approaches would significantly reduce the 'reasonable worst case' TRICS-based estimates of vehicle trips generated by the Proposed Development.
- 3.16 The draft Medway Local Plan recognises that new development on the Hoo Peninsular is less likely to impact on the wider road network than development within the larger urban areas (at para 9.4.3). The Proposed Development would only generate a maximum of about 150 vehicle trips in the peak hours in the 'realistic worst case' scenario and substantially lower in the draft Local Plan's 'vision and validate' approach scenario, with many of those trips linked to the major employment centres on the Peninsular. The Proposed Development is therefore well placed in terms of location, sustainability, and the opportunities to deliver improvements to bus services and cycle / pedestrian connectivity, to minimise its traffic impacts on Four Elms roundabout and the wider road network and therefore represents a real opportunity to contribute towards early delivery of part of Medway's housing needs without unacceptable consequences for key parts of Medway's highway network.

## 4 Site Sustainable Transport Strategy

- 4.1 Government policy is to encourage and facilitate development in the most sustainable manner. For transport this places highest emphasis on providing for active travel (walk and cycle) and public transport first with only necessary highway mitigation to provide for any residual vehicular demands. Chapter 2 “Vision and Strategic Objectives” of the draft Medway Local Plan states the vision for access and movement for the Hoo Peninsular to be:

*“The Hoo Peninsular has reduced car dependency and achieved a higher level of self-containment to facilitate local living in an age of increased remote working, while local employment opportunities are available at Kingsnorth and the Isle of Grain. Travel choice to/from the rural area has been improved through planning and investment in public transport.”*

- 4.2 As this Transport Technical Note has demonstrated, the Proposed Development is well located to enable and encourage sustainable transport choices, in terms of its proximity to a range of existing and enhanced facilities in Allhallows and to major employment centres at Kingsnorth and Grain, and the current and potential quality of sustainable connections.
- 4.3 A site Travel Plan would be implemented which would encourage and promote use of those active travel and bus opportunities by targeted measures, potentially including enhanced bus services (with dedicated demand responsive bus connections between the site and major employment centres at Grain and Kingsnorth if appropriate), real time route data and bus shelters, bus travel vouchers, cycle purchase assistance, and a local transport hub featuring car share and electric charging facilities, e-cycle and e-scooter hire, bike storage and lockers, etc, all of which could be made available for wider village use. The Proposed Development could also provide or contribute proportionately to improved cycling facilities on Peninsular roads.
- 4.4 New &/or enhanced bus services will be provided at the earliest stage of delivery of the Proposed Development to ensure that the new population are able to adopt from the outset alternative travel patterns to access work and services.
- 4.5 These will be supported by proportionate contributions, where appropriate, to identified enhancements to existing sustainable connections, including improved bus services and cycle facilities.

## 5 Summary and Conclusions

- 5.1 This Transport Technical Note has set out the likely quantity and distribution of traffic generated by the Proposed Development and has reviewed the Strategic Transport Assessment prepared to support the draft Medway Local Plan.
- 5.2 From the review of the traffic modelling reported in the Strategic Transport Assessment, it can be concluded that whilst there are currently issues of congestion and delays at Four Elms roundabout, the Proposed Development is well placed in terms of location, sustainability, and the opportunities to deliver improvements to bus services and cycle / pedestrian connectivity, to minimise its traffic impacts on Four Elms roundabout and the wider road network. The traffic impacts of the Proposed Development can therefore be suitably and effectively mitigated.
- 5.3 The Proposed Development at Land at Stokes Road, Allhallows should, therefore, be considered as an excellent candidate for allocation in the Local Plan.



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# Medway Council Regulation 18 Consultation Response

**Waterside Court, Medway City Estate**

LAA SITE REF: SR40  
CALL FOR SITES FORM SUBMISSION ID: 256  
CALL FOR SITES RESPONDENT ID: 414

*REGULATION 18a CONSULTATION ID: 1364*  
**REGULATION 18b CONSULTATION ID: 2800**

**CLIENT: KEVIN RICE**

September 2024  
DHA/32341





# CONTENTS

<b>1</b>	<b>INTRODUCTION.....</b>	<b>4</b>
1.1	OVERVIEW .....	4
1.2	DRAFT NPPF CONSULTATION AND WRITTEN MINISTERIAL STATEMENT .....	5
<b>2</b>	<b>RESPONSE TO THE CONSULTATION .....</b>	<b>6</b>
2.1	SECTION 2.1: VISION FOR MEDWAY 2041 .....	6
2.2	STRATEGIC OBJECTIVES .....	6
	Prepared for a sustainable and green future .....	6
	Supporting people to lead healthy lives and strengthening our communities .....	6
	Securing jobs and developing skills for a competitive economy.....	7
	Boost pride in Medway through quality and resilient development. ....	7
2.3	SECTION 2.3: SPATIAL DEVELOPMENT STRATEGY .....	7
2.4	SECTION 3 SPATIAL GROWTH OPTIONS.....	8
2.5	POLICY S1: PLANNING FOR CLIMATE CHANGE .....	8
	Question 1: The Council could consider setting local standards for development that go beyond national policy/regulations in addressing climate change. What evidence would justify this approach, and what standards would be appropriate? .....	9
2.6	POLICY S2: CONSERVATION AND ENHANCEMENT OF THE NATURAL ENVIRONMENT .....	9
	Question 2: Do you consider that the Council should seek to go beyond the statutory minimum of a 10% increase in BNG? What evidence can you provide to support your view? .....	10
2.7	POLICY S4: LANDSCAPE PROTECTION AND ENHANCEMENT .....	10
2.8	POLICY DM2: CONTAMINATED LAND.....	10
2.9	POLICY T1: PROMOTING HIGH QUALITY DESIGN .....	11
2.10	POLICY DM 5: HOUSING DESIGN .....	11
2.11	POLICY DM6: SUSTAINABLE DESIGN AND CONSTRUCTION.....	12
2.12	POLICY T2: HOUSING MIX.....	12
	Question 10: Do you think this policy provides effective guidance on the required housing mix in Medway? .....	12
2.13	POLICY T3: AFFORDABLE HOUSING .....	13
	Question 11: Do you agree with having a 10% requirement for affordable housing on urban brownfield sites and 30% requirement for affordable housing on greenfield sites and higher value urban locations? What do you consider would represent an effective alternative approach? Do you agree with a varied approach for affordable housing requirements based on the different value areas across Medway? .....	13
	Question 12: What do you consider would represent an effective split of tenures between social/affordable rent and intermediate/low-cost home ownership housing in delivering affordable housing?.....	13
	Question 13: What do you consider would represent an effective split of tenures between social/affordable rent and intermediate/low-cost home ownership housing in delivering affordable housing?.....	14
2.14	POLICY T9: SELF-BUILD AND CUSTOM HOUSEBUILDING .....	14
2.15	POLICY S10: ECONOMIC STRATEGY .....	14
2.16	POLICY S11: EXISTING EMPLOYMENT PROVISION .....	14
2.17	SECTION 9.1: VISION FOR ACCESS AND MOVEMENT IN MEDWAY .....	15
2.18	POLICY DM15: MONITORING AND MANAGING DEVELOPMENT .....	16
2.19	POLICY T26: ACCESSIBILITY STANDARDS .....	16

**3 CONCLUSION ..... 17**

3.1 OVERALL SUMMARY .....17

# 1 INTRODUCTION

## 1.1 OVERVIEW

- 1.1.1 These representations have been prepared on behalf of Mr Kevin Rice in response to Medway Council's (MC) Local Plan 2041 Regulation 18 consultation document (July 2024). The consultation is a statement of MC's commitment to getting a new Local Plan in place for the plan period 2026-2041 (15 yrs.) and seeks to provide certainty on the direction of Medway's growth.
- 1.1.2 Waterside Court (site ref SR40) (hereafter referred to as the site) has previously been promoted by our client at various consultation exercises run by MC, including the previous Regulation 18 consultation in October 2023 and previous consultations and Call for Sites exercises.
- 1.1.3 The below responses to the latest Regulation 18 consultation (hereafter referred to as the Regulation 18b consultation) respond to the policies of the draft Local Plan and the key questions asked in the consultation document relevant to Waterside Court (site ref SR40).



FIGURE 1: INDICATIVE SITE LOCATION.

1.1.4 The response is set out in the following structure:

- Chapter 1 – Overview and introduction
- Chapter 2 – Sets out our client’s response to the consultation (structured by relevant objectives/policies);
- Chapter 3 – Provides site specific comments.

## **1.2 DRAFT NPPF CONSULTATION AND WRITTEN MINISTERIAL STATEMENT**

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- 1.2.1 The Government’s proposed reforms to the NPPF (amongst other changes to the Planning System) were unveiled on 30th July 2024 with the publishing of the draft NPPF which will be consulted upon until 24th September 2024. In light of this, given the Labour Government’s manifesto and the Housing Secretary’s recent WMS, it seems likely that most of the proposed changes will be published in an updated version of the NPPF shortly after the closure of the consultation.
- 1.2.2 The draft NPPF was accompanied by a WMS titled ‘Building the homes we need’, which sets out how the Government is seeking to encourage housebuilding. The WMS sits alongside the draft NPPF and provides specific planning mechanisms to encourage housebuilding and removes exceptions to the application of the presumption, including the removal of Paragraph 226 (i.e., the 4 Year Housing Land Supply exception). Under the revised NPPF, the threshold for the application of the presumption will return to the 5 Year HLS requirement (as well as the Housing Delivery Test requirement).
- 1.2.3 Within the WMS, the Housing Secretary is clear that the ‘Standard Method’ currently utilised is “insufficient to deliver on our scale of ambition” and is “not up to the job”, therefore the Government have proposed a ‘Revised Method’ which requires Local Authorities to plan for numbers of homes that are proportionate to the size of existing housing stock. In this regard, MC under the Standard Method are required to deliver 1,658 dwellings per annum, whereas under the Revised Method, they are required to deliver 1,644 dwellings per annum, which stands as a decrease in the requirement by 14 dwellings, which is not considered to be significant reduction considering the overall total number of dwelling MC require to deliver per annum.

## 2 RESPONSE TO THE CONSULTATION

### 2.1 SECTION 2.1: VISION FOR MEDWAY 2041

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- 2.1.1 The vision is contrary to the requirements of the NPPF (para 15). The “Vision” fails to identify housing provision as an essential component of the Plan as set out in the vision under paragraph 2.1.1 of the consultation document. The vision focuses on employment needs, directing employment opportunities to Kingsnorth and the Isle of Grain on the Hoo peninsular. This is a central part of Medway's vision, but it does not excuse the lack of reference to housing. Delivering an authority's housing needs is a central component of any local plan and a determinative matter for the spatial strategy/ proposed spatial growth options (SGOs) to consider. In not expressing the amount of housing development being delivered, the draft Local Plan fails to be positively prepared to provide a suitable framework for addressing housing and employment needs.
- 2.1.2 The “Vision” should be amended to reference housing and employment provisions. The Interim Sustainability Appraisal sets out in Table 5.1 the proposed SGOs for Medway. SGO3, the Blended Strategy, is the Council's preferred approach. This sets out to deliver up to 23,733 homes across the plan period. This is approximately 4,000 homes short of MC housing need. MC has said it can deliver 4,000 homes from windfall and sites with existing planning permission, taking their housing supply across the plan period to circa 27,700 homes – roughly 4% more than homes needed across the proposed plan period but nearly 500 homes short of housing need across a policy compliant plan period before taking into account the approximate unmet need from GBC and any unmet need from TMBC.

### 2.2 STRATEGIC OBJECTIVES

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#### **Prepared for a sustainable and green future**

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- 2.2.1 Notably, no strategic objective expressly deals with the amount of housing that needs to be delivered. In the absence of setting out what the housing need requirement is and whether the Plan is looking to meet Medway's needs (which the draft Local Plan should), the draft Local Plan is therefore considered not to be “Positively Prepared” or “Justified,” contrary to the NPPF (para 35).

#### **Supporting people to lead healthy lives and strengthening our communities**

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- 2.2.2 Whilst it is acknowledged that, in general terms, the objective of “Supporting People to Lead Healthy Lives and Strengthening Our Communities” mentions housing generally, it does not set out how much housing will be provided. This is a determining factor in deciding the most appropriate SGO for Medway and should inform the basis of draft planning policies set out in the Local Plan as required by

the NPPF (para 20 and 23). Whilst we acknowledge MC is trying to meet its housing needs in full, we consider that it should be set out clearly in an additional strategic objective. This would make the draft Local Plan positively prepared and justified in accordance with paragraph 35 of the NPPF.

### **Securing jobs and developing skills for a competitive economy**

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- 2.2.3 The principles of this strategic objective are supported. However, the lack of clarity on how MC are meeting its housing and employment growth need needs to be addressed as part of a standalone strategic objective since many of the other objectives are dependent on the delivery of housing, including the ambitions for improved employment floorspace and higher-value employment opportunities, which are also reliant on providing enough housing.

### **Boost pride in Medway through quality and resilient development.**

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- 2.2.4 This objective refers to the development of brownfield land as part of the ongoing benefits of Medway's regeneration to deliver housing and employment growth. This is supported by NPPF (para 123), which states that it is "a clear strategy for accommodating objectively assessed needs, in a way that makes as much use as possible of previously developed or 'brownfield' land". Whilst this is supported, it is also understood that the objectives do not directly address the need to release brownfield land for urban regeneration as part of a combined strategy for meeting Medway's housing needs, including suburban expansion, rural development and Green Belt release.
- 2.2.5 We are, therefore, still of the opinion, as with our previous representations, that this objective is misleading, appearing to read that urban regeneration is the priority objective rather than part of a broader objective for Medway to meet housing needs through the emerging Local Plan.

## **2.3 SECTION 2.3: SPATIAL DEVELOPMENT STRATEGY**

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- 2.3.1 Site SR40 Waterside Court is within the Medway City Estate and a brownfield site in a waterfront location within Medway's urban area. Given the site's location, our client supports the Council's spatial development strategy, adopting a brownfield land first approach. However, given the nature of the housing need, it is considered that a blended SGO, as per MC's preferred option, will need to include additional sites other than those indicatively allocated as 'suburban expansion' and 'greenfield sites' to meet their objectively assessed need in full as set out in the NPPF.
- 2.3.2 It is noted that 'suburban expansion' and 'greenfield sites' will be available and deliverable in the earlier years of the plan period, with brownfield sites such as Waterside Court typically coming forward in the latter years of the Plan Period as



they can have additional constraints affecting deliverability, such as existing uses and remediation.

- 2.3.3 The growing need for both market and affordable housing emphasises the need for MC to plan to meet its full objectively assessed need, as required by the NPPF (para 11b and para 23), supporting the Government's objectives to significantly boost the supply of homes (NPPF, para 60).
- 2.3.4 The Council should also work with Gravesham Borough Council to determine if it needs to accommodate any of its needs (up to 2,000 homes) to ensure the Plan is "Positively Prepared" (NPPF, para 35). This can be done by writing an up-to-date statement of common ground between both parties.

## 2.4 SECTION 3 SPATIAL GROWTH OPTIONS

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- 2.4.1 Our client supports SGO 3 (Blended Strategy) as MC's preferred growth option. It seeks to deliver all the submitted allocated sites on the Medway City Estate (1,041 dwellings).
- 2.4.2 However, this growth option needs to deliver the c.28,000 homes required to fully meet the district's housing needs. The Council needs to allocate additional sites across the district to deliver the additional dwellings across the plan period to fully meet their needs and the unmet needs identified in GBC and TMBC, in accordance with paragraph 23 of the NPPF.
- 2.4.3 To help with the additional unmet need, MC should allocate the Medway City Estate as an opportunity area for further residential/mixed-use development over the next two plan periods. This would enable the whole of the peninsula to be redeveloped and allow time for the industrial use to be relocated to Kingsnorth and the Isle of Grain on the Hoo Peninsula, where "*indicative*" employment allocations are shown on the draft Policies Maps.

## 2.5 POLICY S1: PLANNING FOR CLIMATE CHANGE

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- 2.5.1 The Council's draft viability study has policy S1 labelled as a 'Vision for Medway in 2037'. Policy S1 in the Regulation 18b consultation document is titled "*Planning for Climate Change*". The current Policy S1 sets out measures to mitigate the impacts of climate change. There are apparent discrepancies between the draft Viability Report and the current consultation document. The Viability Report does not consider the implications for planning for Climate Change and the measures set out above in the consultation document under policy S1.
- 2.5.2 Our client supports MC in mitigating and addressing the impacts of climate change. The viability study, however, does not appear to consider the proposed climate change considerations set out in policy S1 above, this should be addressed.

**Question 1: The Council could consider setting local standards for development that go beyond national policy/regulations in addressing climate change. What evidence would justify this approach, and what standards would be appropriate?**

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- 2.5.3 Our client believes the Council should not go beyond national policy/regulations in addressing climate change. This is because national policy and building regulations continually change, adapting to new and different concerns. For example, the Future Homes Standard (FHS) is anticipated to launch in 2025. The technical consultation on the proposed specification of the FHS took place in Spring 2023; further consultation will occur throughout 2024. From 2025, compliance with the FHS will become mandatory and ensure that new homes built from 2025 will produce 75-80% less carbon emissions than those constructed under current Building Regulations. The FHS seeks to decarbonise new homes by improving heating and hot water systems and reducing heat waste.
- 2.5.4 Therefore, MC does not need a policy in its Local Plan that mimics current building regulations, which development will have to comply with anyway.
- 2.5.5 Notwithstanding the above, it is noted that the FHS has yet to be adopted. Significant concerns and risks were raised in the technical consultation relating to the impact of the increased costs of implementing the FHS on house prices and building costs. In turn, the full impact of achieving net zero could filter through into the viability and subsequent delivery of new schemes. It is prudent for the viability assessment to be re-run, including the scenario within which the FHS is implemented and considering any government funding to ensure that new development can achieve net carbon zero and remain viable.
- 2.5.6 Given the reasons set out above and the example of the FHS, we consider that the Council should reword policy S1 in a way that is flexible and adaptable enough to meet the ever-evolving requirements of national policy regarding climate change. The Council does not want to be over-reliant on a policy that is out of date with the current national policy at any particular time in the future.

**2.6 POLICY S2: CONSERVATION AND ENHANCEMENT OF THE NATURAL ENVIRONMENT**

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- 2.6.1 Policy S2 should remain as is, with proposals only having to demonstrate a 10% net gain under the Environment Act, as required by law.

**Question 2: Do you consider that the Council should seek to go beyond the statutory minimum of a 10% increase in BNG? What evidence can you provide to support your view?**

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- 2.6.2 Our client objects to MC seeking to go beyond the statutory minimum 10% increase in BNG. Brownfield sites such as Waterside Court have higher abnormal costs, and delivering BNG above the statutory minimum requirement would be considered to add to these additional costs. This has the potential to cause viability issues, particularly for brownfield sites, albeit it impacts all sites.
- 2.6.3 Additionally, the imposition of a BNG requirement over 10% will restrict the number of units that can be delivered on some sites where further land is required to be set aside for BNG improvements. Given Medway's preferred strategic option is already some 4,267 dwellings short, additional BNG will reduce dwellings further.
- 2.6.4 If MC wishes to exceed the Environment Act's requirement for 10% BNG, the Council would need to test this further as part of the Viability Assessment of the Local Plan. Any requirement should be proportionate to the proposed scale of development to ensure that development can be viable and fundamentally delivered.

## **2.7 POLICY S4: LANDSCAPE PROTECTION AND ENHANCEMENT**

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- 2.7.1 It is noted that waterfront locations on the River Medway are an important area for the natural environment, particular in relation to landscape, heritage and conservation considerations.
- 2.7.2 If the site SR40 is allocated in the Regulation 19 draft local plan, it should be allocated as part of a development framework or opportunity area. In this case, all the Medway City Estate will be brought forward for residential mixed-use development over multiple plan periods. This framework could consider the considerations relevant to its waterfront location.

## **2.8 POLICY DM2: CONTAMINATED LAND**

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- 2.8.1 At this stage, the policy sets out high-level principles of how developments should understand and mitigate land contamination on a site and the potential risks to human health and the environment.
- 2.8.2 Brownfield and previously developed sites, such as our client site, are more prone to contamination. Whilst our client does not object to the policy's principles, MC must set out what reports will be required from any potential planning application to ensure any proposal is assessing the site appropriately.

## 2.9 POLICY T1: PROMOTING HIGH QUALITY DESIGN

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- 2.9.1 The Policy, as currently drafted, provides a checklist for designing high-quality developments that reflect the NPPF.
- 2.9.2 The policy also sets out that all developments should demonstrate sustainability criteria, such as:
- (1) Meeting the BREEAM standard of 'Very Good' for both energy and water efficiency; and
  - (2) Biodiversity 2020 and Building with Nature Standards (these requirements define "what good looks like" and cover the themes of well-being, water, and wildlife, among other references).
- 2.9.3 We raise concerns about MC ensuring all developments meet the BREEAM 'Very Good' energy and water efficiency standard. Such requirements are set out in Building Regulations and, therefore, must be met by developers. Therefore, we question the need for this part of the policy if a development must meet it as part of building regulation.

## 2.10 POLICY DM 5: HOUSING DESIGN

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- 2.10.1 Our client is concerned by bullet point 3 of this draft policy. This policy requirement would be better suited to Policy T4. The M4 building standards for dwellings can be incorporated into Policy T2: Housing Mix, which could set out the mix of M4 (2) and M4 (3) homes, all designed to adapt to various living situations.
- 2.10.2 Moreover, we raise concerns about why MC set out that up to 5% of north-facing single-aspect homes within any one development will be considered on a proposal. Whilst the premise of this bullet point is in accordance with paragraph 135 (f) of the NPPF, seeking to create places that are of a high standard of amenity for existing and future users, we question how the Council has concluded that no more than 5% of north-facing single-aspect homes will be considered. MC should provide detailed evidence to support this approach in any future Regulation 19 Local Plan policy.
- 2.10.3 The last bullet point of the policy sets out "*a design for flexible living: successful places that are robust and support long life and loose fit neighbourhoods*" that are flexible and adaptable to rapidly changing circumstances.
- 2.10.4 Our client has concerns regarding the deliverability of this part of the policy. What standards does the Council intend to apply to help determine whether something is flexible living, and what are the critical design criteria for long-life and loose-fit neighbourhoods? The Council should consider the production of the Supplementary Planning Document (SPD) or details within a Design Code to set out how they wish housing standards to meet such fluid design criteria to help

applicants understand what is required of a planning application, which may help facilitate the long life and loose fit neighbourhoods set out in the policy.

- 2.10.5 Ultimately, the last part of this policy currently appears to be intangible. The Council needs to provide further guidance about how long-life and loose-fit neighbourhoods will manifest in Medway Towns.

## 2.11 POLICY DM6: SUSTAINABLE DESIGN AND CONSTRUCTION

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- 2.11.1 The policy states in its last bullet point, "*All residential proposals shall detail how they are seeking to facilitate working from home within the design, including access to high-speed broadband/internet.*" This part of the policy is broad brush. MC need to consider how this policy will manifest itself in practice. The applicant should provide robust evidence to demonstrate whether this is feasible depending on the type of homes provided, their location and the site size.
- 2.11.2 Evidence from NOMIS for employment by occupation between April 23 and March 2024 for Medway shows that just over half of Medway's workforce (54.1%) work in professional occupations, considered white-collar working. 45.9% of the workforce is in other professions where working from home is less frequent/inappropriate. Therefore, given the split workforce in the Medway Towns, we consider it inappropriate for all new residential dwellings to make provisions for bespoke working-from-home facilities. I

## 2.12 POLICY T2: HOUSING MIX

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- 2.12.1 Policy T2 is a strategic policy ensuring the Council delivers a sustainable and suitable mix of housing to meet local housing needs as set out in the three Local Housing Need Assessments (LHNA).
- 2.12.2 The LHNA (2021) states that 1no. and 3no.bed dwellings are currently the lowest housing stock in the district. The assessment states a need for 30 to 35% of dwellings to be flats within the overall housing mix. Given that our client site is a brownfield site of only 0.87 ha in size, it is considered that the majority of the 200 dwellings proposed as part of the site allocation Ref SR40 will be flats, which will positively contribute to the overall range set out in the Housing needs assessment at table 7.1.

### **Question 10: Do you think this policy provides effective guidance on the required housing mix in Medway?**

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- 2.12.3 Given the strategic nature of this policy, it is considered to provide effective guidance, pointing developers and applicants towards the LHNA to understand the required site location characteristics.

## 2.13 POLICY T3: AFFORDABLE HOUSING

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- 2.13.1 It is noted that MC has an annual net shortfall of 870 affordable dwellings per annum and that this policy seeks to reduce this overall shortfall.
- 2.13.2 Our client welcomes the differentiation policy when delivering affordable housing on greenfield (30%) and brownfield sites (10%). Whilst our client welcomes this position, on all sites affordable housing should also be able to be negotiated with the Council on viability grounds if there are significant abnormal costs associated with developing the site.

**Question 11: Do you agree with having a 10% requirement for affordable housing on urban brownfield sites and 30% requirement for affordable housing on greenfield sites and higher value urban locations? What do you consider would represent an effective alternative approach? Do you agree with a varied approach for affordable housing requirements based on the different value areas across Medway?**

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- 2.13.3 Please refer to the comments set out in the submission of the policy T3 affordable housing. The client welcomes that brownfield sites will deliver a lesser percentage of affordable homes. However, given the increased number of abnormal cross-resistances associated with developing brownfield sites, which could impact the viability of a feature scheme, this should still be able to be negotiated with the council through the course of an application. Viability grounds should be available on all sites as required, otherwise some sites may be prevented from coming forward, including greenfield.
- 2.13.4 It is important to highlight that given Medway Council's reliance on large scale greenfield sites to deliver some of their required housing numbers, in particularly for the earlier years of the planning period, it is important that this affordable level is not set at such a high level to discourage developers coming forward.

**Question 12: What do you consider would represent an effective split of tenures between social/affordable rent and intermediate/low-cost home ownership housing in delivering affordable housing?**

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- 2.13.5 Our client does not object to having a percentage split relating to social/affordable rent and intermediate low-cost home ownership. The policy should, therefore, use the percentages led by the need requirement set out in Table 7.1 of the LHNA to inform the percentages to accompany Policy T3.



**Question 13: What do you consider would represent an effective split of tenures between social/affordable rent and intermediate/low-cost home ownership housing in delivering affordable housing?**

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- 2.13.6 Paragraph 6.3.13 of the Local Plan consultation document sets out the cascade principle, which is preference for on-site delivery of affordable housing then off-site provision on an alternative site where appropriate. Common sense needs to be applied to ensure units are attractive to providers.

## **2.14 POLICY T9: SELF-BUILD AND CUSTOM HOUSEBUILDING**

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- 2.14.1 It is agreed that no self- and custom-built housing should be required in flatted development, as set out in this policy's wording.

## **2.15 POLICY S10: ECONOMIC STRATEGY**

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- 2.15.1 Paragraph 7.2.5 of the draft Local Plan states that there is significant potential for the regeneration and development of employment sites on the Hoo Peninsula, particularly at the Isle of Grain and Kingsnorth. The Waterside Court site should form part of the wider regeneration of Medway City Estate through a development framework/masterplan or an opportunity area for regeneration across multiple plan periods.
- 2.15.2 The opportunities set out in paragraph 7.2.5 of the draft Local Plan at Kingsnorth and the Isle of Grain provide opportunities for the relocation of Industrial (E (g)(ii), E (g)(iii) (formerly B1b and B1c)) and warehouse (B8) uses to these locations and can help facilitate the moving of such industries off the Medway City Estate into a to allow this peninsula to come forward as a destination for residential lead mixed-use development. Therefore, it is considered that bullet point 2 of Policy S10 should be rewritten as follows:

*Industrial (E (g)(ii), E (g)(iii) (formerly B1b and B1c)) and warehouse (B8) uses will be located on the periphery of Medway close to the existing strategic road network on **allocated sites at Kingsnorth and the Isle of Grain on the Hoo peninsular or any other allocated sites**.*

## **2.16 POLICY S11: EXISTING EMPLOYMENT PROVISION**

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- 2.16.1 A 12-month marketing period is considered excessive, given that under the General Permitted Development Order, the conversion of existing employment provision (offices) to residential development can be done without a marketing period. It has been common practice for Local Plans to consider a reasonable marketing period to be 6-months. A 6-month period allows a site to be marketed with sufficient time to demonstrate a need for the existing use. It is

counterproductive for MC to prolong brownfield sites, which want to come forward for residential-led development through this proposed 12-month marketing period.

- 2.16.2 Waterside Court (Ref SR40) is an “indicative” allocated site shown on the policy maps. Given the nature of the proposed allocation, Policy S 11 should not ‘bite’ as MC has already considered it suitable, available and deliverable for 200 residential units. As such, our client considers that the wording of Policy S11 should be rewritten as follows:

*Where planning permission is required, proposals for the redevelopment or change of use of employment land and buildings to non-employment uses will be supported where **the site is not proposed as an allocation in the Local Plan if:***

- *The existing use is proven to be no longer appropriate or viable.*
- *There is no market interest in the in the site, and it has been market for a reasonable period (of 12 months).*

*Once this has been proven, then the site will be considered for loss or redevelopment if one or more of the following criteria apply:*

- *the site is no longer appropriate due to detrimental impact on residential amenity;*
- *proposals should demonstrate how employment opportunities have been maximised and incorporated into a scheme, where possible; and*
- *any redevelopment conforms to the Council's regeneration agenda.*

- 2.16.3 Our client's site (Ref SR40) is situated on the Medway City Estate in a waterfront location. As such, it is considered to conform with the Council's regeneration agenda, which supports a brownfield land first approach for development across the Plan Period and the regeneration of the River Medway's waterfront.

## 2.17 SECTION 9.1: VISION FOR ACCESS AND MOVEMENT IN MEDWAY

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- 2.17.1 It is concerning that opening points on the vision for access and movement in Medway relate to working from home. Our client's comments remain the same as they set out under Policy DM6. It is not appropriate for all new residential dwellings to make provision for bespoke working-from-home facilities in residential dwellings.
- 2.17.2 It is noted that the Council, as part of their allocation employment sites, is seeking to relocate employment uses from the Medway City Estate to the Hoo Peninsula at Kingsnorth and The Isle of Grain. Therefore, our client supports the Council's seeking a positive movement strategy to facilitate the proposed employment

locations on the Hoo Peninsula. This will enable the Medway City Estate to be allocated as an opportunity area for a residential lead mixed-use development of the whole peninsular.

## 2.18 POLICY DM15: MONITORING AND MANAGING DEVELOPMENT

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- 2.18.1 Waterside Court (site ref SR40) is on the Medway City Estate and is in an urban location close to several district centres, including Strood and Rochester. It is considered that the redevelopment of the site for residential development has the potential to demonstrate how the vehicle trips proposed from the redevelopment would be 10% lower than proposed in the Strategic Transport Assessment.
- 2.18.2 Given that this assessment has not been fully drafted as part of the evidence base, the overall requirement is not yet fully known, so no detailed commentary can be made on this policy. However, given that the proposal is in the urban centre of Medway and is an "indicative" site allocation, it is considered exempt from this policy's requirements due to the site's accessible location.

## 2.19 POLICY T26: ACCESSIBILITY STANDARDS

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- 2.19.1 Given that our client's sites are indicatively allocated, in the event that the site was allocated in the submitted local plan it is considered that the site would have been considered against the accessibility standards and found to be sustainably located.
- 2.19.2 We therefore propose the following wording:

*"Strategic and major development proposals for new homes, **where they are not allocated within the local plan**, will describe how they meet the following accessibility standards within 15 minutes for local destinations..."*
- 2.19.3 Flexibility should also be built into the policy to enable, and allow a case-by-case judgement to be made by an Officer where there is general accordance with the standards.

## 3 CONCLUSION

### 3.1 OVERALL SUMMARY

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- 3.1.1 Waterside Court (Ref. SR40) is capable of delivering circa 200 residential units to help meet the housing needs of Medway Council in a sustainable and suitable location where it can be a catalyst for the further regeneration of the wider Medway City Estate into the creation of a new sustainable mixed-used community in the heart of the Medway Towns, capable of helping to meet the shortfalls in housing delivery identified in this representation.
- 3.1.2 The Medway City Estate has the ability to deliver housing and mixed used development on individual sites in the mid to later stages of the plan period, with the ability to continue to deliver mixed use development into a further plan period through the Wider vision for the Medway City Estate which would include resolving land ownership issues through the creation of a new peninsula master plan and development framework.
- 3.1.3 Our client supports SGO 3 (Blended Strategy) as it seeks to deliver all the submitted allocated sites on the Medway City Estate.
- 3.1.4 Medway Council should allocate the Medway City Estate as an opportunity area for further residential/mixed-use development over the next two plan periods. This would enable the whole of the peninsula to be redeveloped and allow the time for the industrial use to be relocated to Kingsnorth and the Isle of Grain on the Hoo Peninsula, where “*indicative*” allocations are shown on the Policies Maps.
- 3.1.5 The Council’s preferred approach, the Blended Strategy, sets out that Medway can deliver up to 23,733 homes across the plan period. This is 4,267 homes under the need of around 28,000 homes set out in the executive summary of the regulation 18b consultation document and 4,579 dwellings below the previously anticipated in the previous Regulation 18a consultation document.
- 3.1.6 This growth option does not fully deliver the homes required to meet the Council’s housing needs, and therefore the Council needs to allocate additional sites across the district to deliver the additional dwellings across the plan period to fully meet their needs in accordance with para 23 of the NPPF.

# Medway Council Local Plan 2041 (Regulation 18 Consultation)

Representations by Richborough

Land off Lower Rochester Road, Wainscott

September 2024

# Contents

1.	Introduction	1
2.	Vision and Strategic Objectives	4
3.	Spatial Development Strategy	7
4.	Housing Mix	8
5.	Affordable Housing	15
6.	Policies Map - North West	18
7.	Policies Map - Urban Core	23
8.	Policies Map - South East	24
9.	Interim Sustainability Appraisal	25
10.	Policy DM6: Sustainable Design and Construction	30
11.	Policy T26: Accessibility Standards	31
12.	Question 8: Do you consider that exceptional circumstances exist to justify review of the Green Belt boundary?	32
<hr/>		
Appendix 1: Site Location Plan (Revised)		
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Appendix 2: Concept Plan (Revised)		
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## Contact

Mike O'Brien



## Client

Richborough

## Our reference

PP0060

September 2024



# 1. Introduction

- 1.1 This representation is prepared by Pinnacle Planning on behalf of our client Richborough. It provides representations to Medway Council (MC) in respect of the Local Plan 2041 - Regulation 18 consultation, which is the subject of public consultation until 9 September 2024.
- 1.2 The Regulation 18 version of the Local Plan 2041 (hereafter referred to as the “Reg 18 LP”) is accompanied by several evidence base documents, including the following, which are referenced in this representation:
- Interim Sustainability Appraisal (2024)
  - Strategic Transport Assessment (2024)
  - Landscape Character Assessment (2024)
  - Green and Blue Infrastructure Framework (2024)
  - Viability Assessment (2021)

## Background

- 1.3 Richborough is a specialist strategic land promoter with a track record of delivery spanning over twenty years. The business acts in partnership with landowners to promote their holdings through the plan-making process and is committed to delivering high quality developments with the right blend of housing and infrastructure to meet local needs.
- 1.4 Richborough oversee the planning promotion process and work closely with local communities, planning officers, professional consultants and key stakeholders to create mutually beneficial schemes.

## Local Plan 2041

- 1.5 The adopted Development Plan for Medway dates back to 2003 with the adoption of the Medway Local Plan. At the point of adoption, the intended plan period for the Medway Local Plan only covered 1996-2006.
- 1.6 There have been several attempts to prepare a Local Plan in the intervening time, although none have resulted in the preparation of a Plan that is suitable for submission to the Secretary of State for examination.
- 1.7 The most recent Regulation 18 consultation took place between 18 September and 31 October 2023 and sought feedback on the ‘direction for Medway’s growth’, including the Vision, Strategic Objectives and Spatial Strategy.
- 1.8 This is a further Regulation 18 consultation, and the submission version of the Local Plan is expected to be the subject of Regulation 19 consultation in 2025.
- 1.9 The Reg 18 LP seeks to establish that the plan period will run to 2041 and includes strategic and development management policies that seek to quantify, address and aid

the delivery of local employment and residential development needs. Medway have not identified residential or employment allocations but have identified a preferred Spatial Strategy for growth and Indicative Preferred Sites.

- 1.10 Richborough has an interest in a large parcel of land to the north of Wainscott off Lower Rochester Road (hereafter referred to as “land off Lower Rochester Road” or “the Site”).
- 1.11 Richborough is promoting this land as a potential draft allocation and can demonstrate that the site is capable of sustainably delivering around 900 dwellings, a local centre, retirement living, retail space with electric vehicle charging, district heat network and significant areas of landscaping, including community growing orchards.
- 1.12 The range of housing tenures able to be delivered on site will meet the existing and future needs and aspirations of the area as well as offering benefits to the area, including affordable homes, opportunities for leisure and recreation, and new highways infrastructure.
- 1.13 Richborough is keen to work collaboratively with Medway, the local community and other stakeholders to explore, expand and refine the potential development opportunities.
- 1.14 Richborough previously promoted the Site as part of the Regulation 18 consultation in 2023 and via a Call for Sites. A virtual Developer Engagement Meeting was held in July 2024 with Policy and Development Management Officers as part of the Council’s stakeholder engagement process for Local Plan preparations.

## **Structure of Representations**

- 1.15 Richborough’s representations to the Preferred Options consultation are comprised of this Report which incorporates the following appendices:
  - Location Plan;
  - Concept Plan
- 1.16 Reference is also made to the Vision Document which was previously submitted to the Call for Sites and Regulation 18 consultations in 2023. However, this can be made available upon request.
- 1.17 This report addresses the responses to the emerging Local Plan, as well as the supporting consultation material, and is structured as follows:
  - Chapter 2 responds to the Vision and Objectives
  - Chapter 3 responds to the Spatial Development Strategy
  - Chapter 4 responds to the Housing Mix section
  - Chapter 5 responds to the Affordable Housing section
  - Chapter 6 responds to the Policies Map - North West (including promotion of LAA Site SR17)

- Chapter 7 responds to the Policies Map - Urban Core
- Chapter 8 responds to the Policies Map - South East
- Chapter 9 responds to the Interim Sustainability Appraisal
- Chapter 10 responds to Policy DM6: Sustainable Design and Construction
- Chapter 11 responds to Policy T26: Accessibility Standards
- Chapter 12 responds to Question 8: Do you consider that exceptional circumstances exist to justify a review of the Green Belt boundary

## 2. Vision and Strategic Objectives

### Vision

- 2.1 The Council's Vision, whilst comprehensive, is overly long, and fails to adequately communicate the Vision for the delivery of new homes over the suggested Plan Period to 2041.
- 2.2 Richborough notes the suggested Plan Period ending in 2041 is not consistent with paragraph 22 of the NPPF which requires local plans to look forward for at least 15 years from the point of adoption. The Council's Local Development Scheme (February 2024) states the Council's expectation that the plan will be adopted in Autumn of 2026 and this results in a Plan Period that extends to less than 15 years from the point of adoption. Given the scale of development needed in Medway and therefore the vast number of interested parties it is possible that the timeline for adoption of the Local Plan could slip beyond Autumn 2026. Therefore, Richborough consider it necessary for the Plan Period to be extended to 2042 at the earliest to ensure consistency with national policy.
- 2.3 The only reference to homes or housing within the Vision relate to sustainable methods of construction or retrofitting existing buildings, as well as making provision for custom and self-build homes. Whilst these are important technical matters, the critical strategic issue of delivering the number of homes to meet housing needs in full has been ignored.
- 2.4 Paragraph 11a of the NPPF is clear that plans should *"promote a sustainable pattern of development that seeks to: meet the development needs of their area"* and 11b states that *"strategic policies should, as a minimum, provide for objectively assessed needs for housing and other uses, as well as any needs that cannot be met within neighbouring areas"*.
- 2.5 Paragraph 60 of the NPPF also requires 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"*.
- 2.6 Richborough is therefore of the view that the 'Vision' should be altered to acknowledge the need to meet development needs in full, particularly for housing.
- 2.7 In the 20 years since the Medway Local Plan was adopted in 2003, completions have only exceeded the housing requirement figure that was in place at the time in only three years, and the three most recent monitoring years have seen the highest deficits. As detailed elsewhere in representations made on behalf of Richborough, the cumulative under supply of housing in the twenty year period 2003 - 2023 is 5,672 dwellings. This lower level of delivery has only exacerbated issues in regard to affordability through the lack of supply and lower levels of affordable housing delivery.
- 2.8 In respect of affordable housing completions, the annual need figure has not been met in any single year since 2006 (the highest year was in 2008 which still saw a deficit of 305 dwellings) and the cumulative deficit in affordable housing over the 20 year period (2003-2023) is 10,710.

- 2.9 There is evidence of the negative social impact of the failure to deliver sufficient housing in Medway, with the house price to income ratio in the Borough deteriorating from 5.73 in 2014 to 8.58 in 2023 (House price to residence-based earnings ratio, ONS (2024)). The 2023 AMR confirms that over the last five years, the average cost of buying a home in Medway has risen by over 23%.
- 2.10 The under-delivery of housing has contributed to worsening affordability in the Borough. Affordability is a critical social component of sustainable development that acts as a barrier to local people being able to access housing. The research paper published by LPDF titled 'The Housing Emergency', highlights that 1 in 5 adults regard housing issues as negatively impacting their mental health, according to another paper prepared by Shelter in 2017, titled 'The impact of housing problems on mental health'.
- 2.11 It should be accepted that there is an urgent need to boost housing delivery within Medway. A step change in both delivery and approach is required if housing needs are to be met going forward. This requires the spatial vision for the new Plan to evolve and acknowledge where the lack of an up to date Local Plan has failed.
- 2.12 The delivery of the Site promoted by Richborough, land off Lower Rochester Road, Wainscott (LAA Site Ref: SR17) would contribute to meeting the stated Vision.
- 2.13 The proposed development (as detailed in the Vision Document) will ensure there are opportunities for residents to lead independent lives with access to employment opportunities, have a high quality of life and are able to readily access support when they need it most. The proposed development will incorporate a mix of dwellings including affordable homes and those suitable for the older population.
- 2.14 In accordance with the strategic objective: *"Supporting people to lead healthy lives and strengthening our communities"*, the housing mix will include a range of tenures and sizes to ensure the edge of settlement location attracts a diverse population. The comprehensive development of a site of this scale will ensure high quality and energy efficient homes are created in a range of sizes and affordability, including elderly, first homes and elements of custom and self-build housing. The inclusion of a local centre onsite ensures local services are close to where people live, and the social and natural environments are accessible to all groups in society.
- 2.15 The proposed development also addresses the Vision of achieving net zero by 2040 by seeking to improve pedestrian and cycle links to public transport nodes, including both Higham and Strood railway stations. Strood train station is approximately 2km to the south of the Site and provides regular services to Luton, Rainham and London St Pancras. The scheme will seek to incorporate the provision of a bus route linking the site and nearby local centres for the benefit of existing and proposed residents to access the services, employment opportunities and green spaces on the site and further afield. The proposals also seek to improve air quality and promote the use of non-fume generating trips through the provision of an electric vehicle charging station close to the junction of the A289.
- 2.16 In accordance with the Strategic Objective: *"Prepared for a sustainable and green future"* the proposed development includes a number of sustainable and green credentials. The proposals include the development of an extensive and accessible landscape and open space strategy that can be enjoyed by all residents as well as serving to protect natural

and historic environments. The initial technical work undertaken onsite has demonstrated how the proposals could come forward whilst retaining and incorporating the existing ecological and historic features on site and in the nearby area.

- 2.17 In accordance with the Vision, the local centre is proposed in a sought after location for new and existing businesses, providing space for start-ups and co-working facilities that reduce people's need to commute as well as providing day to day needs for those living nearby. By directing growth to the most suitable location in the Borough, the proposals will enhance Medway's economic, social and environmental characteristics and potentially assist with the provision of good quality and effective infrastructure to support the future growth and development of the Borough. Overall, the development will assist in boosting pride in Medway through the provision of quality and resilient development.

### **Strategic Objective: Supporting people to lead healthy lives and strengthening our communities**

- 2.18 Similar to the Vision, this Objective also fails to include reference to the strategic requirement to meet local housing needs.
- 2.19 This Objective refers to homes and meeting the housing needs of Medway's communities. Richborough is of the view that the text should be altered to acknowledge the need to meet the development needs in full, rather than limiting this to meeting the needs of existing communities. Richborough is also of the view that the requirement to meet housing needs should be the subject of a standalone objective.
- 2.20 Paragraph 60 of the NPPF not only establishes that housing needs should be met but also sets out the Government's objective of significantly boosting the supply of homes. In light of the historic failure to meet the housing targets in Medway, the inclusion of a housing specific objective would stress the importance of the issue and ensure the efficiency of the Local Plan.
- 2.21 Richborough is of the view that the inclusion of this Objective alone is not fit for purpose and a new Objective should be provided to explicitly state that the full range of need for new housing should be met and integrate a focus on deliverability.



### 3. Spatial Development Strategy

- 3.1 Richborough supports the spatial strategy in as far as it references a need to provide for a range of development needs.
- 3.2 In regard to growth and the provision of infrastructure, the strategy states that: *“Growth in different parts of the urban, suburban and rural areas will reflect their distinctive character and identity, the potential for a mix of development, and the need for upgrades in infrastructure and services.”*
- 3.3 Evidence will need to be prepared to demonstrate how this upgrade in infrastructure and services will be funded and delivered. The Council must also provide a clear response to how the Preferred Sites have been identified and why others have been discounted. Richborough consider there to be more favourable areas and sites that have been overlooked and which are capable of providing for increased levels of infrastructure. The Sustainability Assessment does not adequately justify the Preferred Site selection and additional commentary on this is provided in our response to the Interim Sustainability Appraisal.
- 3.4 Richborough supports the third paragraph of the Spatial Development Strategy that relates to the protection of land designated for national or international importance to wildlife and landscape. This paragraph references the need to provide a network of green and blue infrastructure to connect countryside, parks and open spaces and *“separating urban Medway from the Hoo Peninsula and Kent Downs, and providing strategic green corridors in the urban and suburban areas”*.
- 3.5 Whilst Richborough supports this assertion and understands the reasoning behind the desire to deliver these benefits, the spatial growth option identified, including the Preferred Sites, will not deliver these benefits and will fail in a number of areas to maintain areas of separation and protect designated land. Additional commentary on this is provided in our response to the Policies Maps for the North West area and South East area.

## 4. Housing Mix

### Duty to Cooperate

- 4.1 The Duty to Cooperate was introduced by the Localism Act 2011 and is set out in section 33A of the Planning and Compulsory Purchase Act 2004.
- 4.2 The National Planning Policy Framework (NPPF) (2023) confirms that local planning authorities are under a duty to cooperate with each other on strategic matters that cross administrative boundaries (Paragraph 24) and identify relevant strategic matters that need to be addressed in their plans (Paragraph 25). Paragraph 26 confirms that:

*“Effective and on-going joint working between strategic policy-making authorities and relevant bodies is integral to the production of a positively prepared and justified strategy. In particular, joint working should help to determine where additional infrastructure is necessary, and whether development needs that cannot be met wholly within a particular plan area could be met elsewhere.”*

- 4.3 Richborough is of the view that it is imperative that Medway Council continue discussions with neighbouring authorities at the earliest possible stage. This is particularly the case with the neighbouring authorities of Gravesham Borough Council and Tonbridge and Malling Borough Council given the extent of Green Belt within the Boroughs.
- 4.4 Tonbridge and Malling is currently preparing a new local plan and is constrained by both Green Belt and the Kent Downs National Landscape. Given that Tonbridge and Malling are midway through the preparation of their new plan with a housing need that will increase by over 400 dpa if the new Standard Method is adopted, Medway Council must engage with Tonbridge and Malling to ascertain their position with regard to housing delivery and consider whether some of these unmet needs could be addressed in Medway.
- 4.5 Richborough notes that the Sustainability Appraisal only tests the following two Growth Options:
- Option 1 - Meet Medway’s Local Housing Need and Initial Objective Assessment of Employment Land Need of c.22,643 homes and 274,663m2 employment land.
  - Option 2 - As for Option 1, plus meeting Gravesham’s unmet need of c.2,000 homes.
- 4.6 The SA references the Council’s conclusion of the assessment of the two Options as follows:

*“Gravesham Borough Council has notified Medway Council of an estimated unmet housing need of 2,000 homes through responses to consultations and duty to cooperate meetings. Medway Council has requested further information from Gravesham Borough Council to demonstrate the unmet housing need. In the meantime, Option 2 cannot be justified.”*

*Option 1 has been shown to perform better compared to Option 2, and therefore Option 1 forms the basis of Medway Council's proposed spatial strategy in the Regulation 18 consultation in July 2024"*

- 4.7 Richborough is of the view that additional Options should be tested, including potentially assisting Tonbridge and Malling in meeting their needs. Planning for growth to help meet the needs of the neighbouring authorities must be allowed for until it is confirmed that they are able to meet their own housing needs. This approach to plan-making will ensure the Government's objective of significantly boosting the supply of homes is recognised (NPPF paragraph 60).

### **Proposed approach to establishing the housing requirement**

- 4.8 The introduction to the Housing chapter confirms that the Council is using the government's Standard Method for calculating Local Housing Need. As of March 2024, this is defined as 1,658 homes a year. We note that the current NPPF consultation proposes an update to the SM calculation, and this results in a slightly reduced housing need figure of 1,644.
- 4.9 We understand that Medway considers Strategic Growth Option 3 dispersed approach meets the scale of housing growth identified by the SM calculation in Medway to 2041.
- 4.10 Paragraph 61 of the NPPF confirms that the standard method should comprise the 'minimum' figure, and states:

*"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. In addition to the local housing need figure, any needs that cannot be met within neighbouring areas should also be taken into account in establishing the amount of housing to be planned for."*

- 4.11 It is clear therefore that there are circumstances whereby a higher figure could be adopted over and above the standard method. The PPG provides further clarification on when it might it be appropriate to plan for a higher housing need figure and states<sup>1</sup>:

*"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."*

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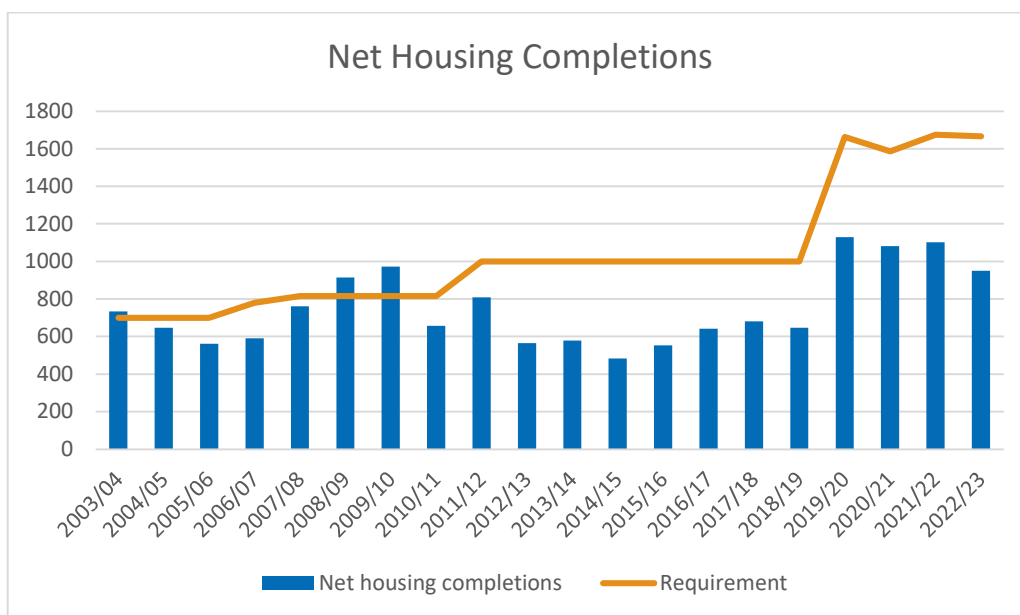
<sup>1</sup> Paragraph ID: 2a-010-20201216, PPG

- 4.12 The same paragraph within the guidance also explains that circumstances where an uplift will be appropriate include, but are not limited to, where growth strategies are in place; where strategic infrastructure improvements are likely to drive an increase in the homes needed locally; and where an authority agrees to take on unmet need from neighbouring authorities.

### **Recommended approach to establishing the housing requirement**

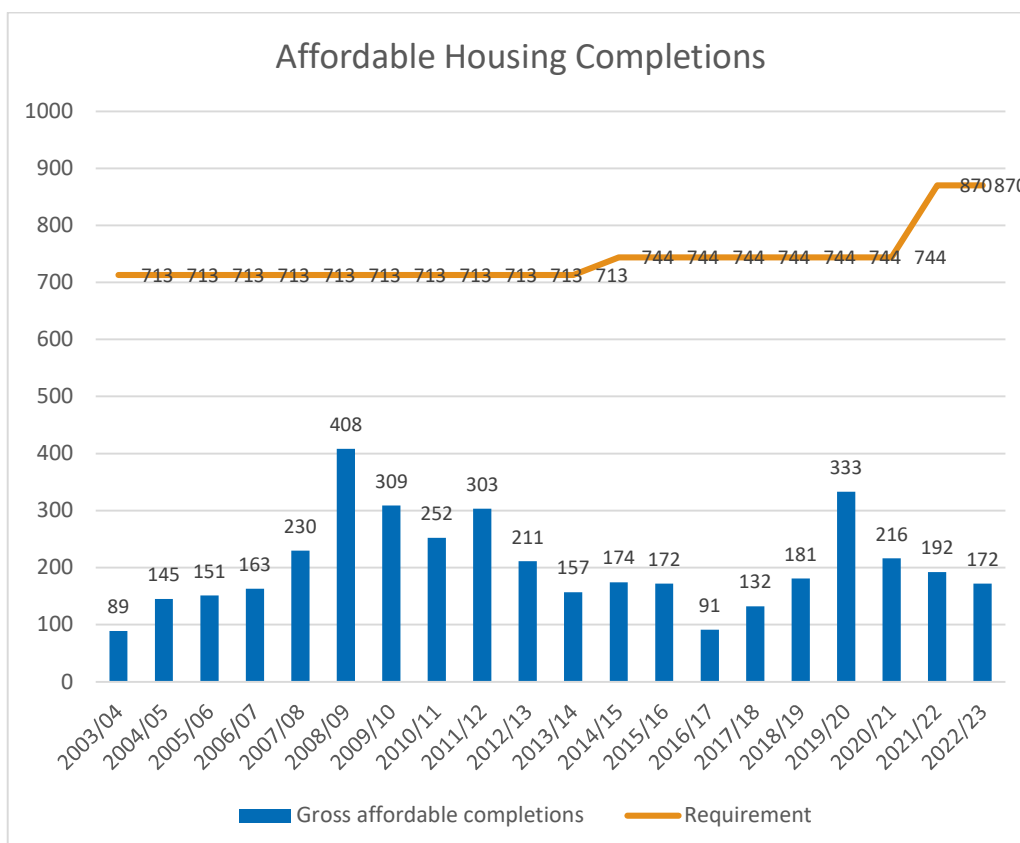
- 4.13 It is important therefore to recognise that the need figure generated by the standard methodology should be considered as the 'minimum' starting point in establishing a requirement for the purposes of plan production.
- 4.14 As noted in representations made to the Sustainability Appraisal, a wider range of reasonable alternatives options should have been assessed.
- 4.15 Richborough considers it necessary for Medway Council to prepare additional evidence in respect of housing needs and is of the view that the figure produced by the standard method represents only the 'starting point' having consideration for the previous low levels of housing delivery. In accordance with paragraph 61 of the NPPF there are exceptional circumstances which justify an uplift, including a potential requirement to take the needs of neighbouring authorities into account.
- 4.16 Richborough would argue that there are additional reasons that would support the local housing figure being even higher than 1,658 dpa. The plan-led system requires Councils to proactively plan to meet the needs of their community. This means that there is a need to provide a range and choice of sites, a need for flexibility and viability considerations to be taken into account, and a need to consider whether higher levels of open-market housing are required in order to secure the delivery of affordable housing and/or support economic growth.
- 4.17 The historic under-delivery of housing in Medway has been well below the relevant annual requirement, as evidenced at Figure 4.1. The housing requirement at the time of adoption of the Local Plan in 2003 was 700 dwellings per annum. The housing requirement has increased over time and the most recent housing requirement is established using the governments standard method calculation which results in an annual housing requirement of 1,667.
- 4.18 Since the adoption of the Local Plan, housing completions have only exceeded the housing requirement figure that was in place at the time in only three years, with the later years have seen the biggest deficits. As evidenced at Figure 4.1 below, the cumulative under supply of housing, against the annual housing requirement, in the 20 year period 2003 - 2023, is 5,672 dwellings. This low level of delivery has only exacerbated issues in regard to affordability through the lack of supply and lower levels of affordable housing delivery.

**Figure 4.1: Net Housing Completions in Medway**



4.19 In respect of affordable housing completions, the annual need figure has not been met once since 2006 (the highest year was in 2008 and still saw a deficit of 305 dwellings). As evidence below, the cumulative shortfall of affordable dwellings between 2003 and 2023 is 10,710 dwellings.

**Figure 4.2: Affordable Housing Completions**



- 4.20 Following this consistently poor rate of delivery, the LHNA (2021) identified an increased the gross need for affordable dwellings of 1,735 affordable dwelling per annum.
- 4.21 The adopted affordable housing policy requires 25% affordable housing to be delivered on all sites over 10 dwellings. The AMR confirms that the gross affordable housing completions for the past five years has averaged 21% and there is a downward trend in affordable completions, with the most recent year (2022/23) seeing the delivery of only 18% of gross completions as affordable units.
- 4.22 There is evidence of the negative social impact of the failure to deliver sufficient market and affordable housing in Medway, with the house price to income ratio in the Borough deteriorating from 5.73 in 2014 to 8.58 in 2023 (House price to residence-based earnings ratio, ONS (2024)). The 2023 AMR confirms that over the last five years, the average cost of buying a home in Medway has risen by over 23%. Ensuring the delivery of a sufficient number of homes in Medway may also result in improved affordability in neighbouring authorities as people are able to access market and affordable homes more easily. The affordability ratio in Gravesham Borough Council is 9 times the median income and 12 times the median income in Tonbridge and Malling. This is clear evidence that a step change in housing delivery is required across this market area.
- 4.23 There is a clear indication that the lack of an up to date Local Plan, with planned allocations has significantly exacerbated an already stark picture of previous under delivery in Medway.

### **Flexibility allowance and reserve sites**

- 4.24 This shortfall in housing delivery is a consequence of not having an up to date Local Plan and therefore the current supply of housing land is not flexible enough to ensure that land is brought forward at sufficient pace. Consequently, this has led to issues in respect of affordability of housing and Richborough considers there to be a need for additional flexibility to be built into the emerging land supply to ensure the timely delivery of housing across the Borough throughout the Plan Period.
- 4.25 Furthermore, given the level of infrastructure which is required to deliver the future allocations, combined with the track record of the supply trajectory, Richborough is of the view that the supply resilience buffer should be at least 10%, and potentially as high as 15%. This is in addition to a non-implementation discount which should be considered for sites in the urban area and those on the Hoo Peninsula, which are constrained by viability and the need for significant levels of infrastructure.
- 4.26 Richborough are also of the view that Medway Council should allocate additional sites and reserve sites in the Plan that could be released if monitoring continued to show under delivery. This would enable the issue to be addressed promptly, without the need for a full or partial review of the Plan. The additional sites could also be considered as a way of addressing the uncertainty around potential unmet housing needs in Gravesham.
- 4.27 Richborough is of the view that a new Policy should be drafted which establishes that if monitoring shows that the Plan is not delivering housing as required, then Medway Council will grant permissions for additional housing; release reserve sites; and undertake other actions to help bring schemes forward, in that order. The Policy wording should also



set strict deadlines for publication of monitoring each year and failure to do so would trigger the contingencies. The end of the calendar year is a reasonable time frame for monitoring data to be collected and published and should be identified as the deadline within the Policy. It is important for any under-delivery of housing to be addressed as soon as possible.

## **Housing Land Supply Evidence**

- 4.28 Richborough note the lack of available information on the scale, distribution, mix, and phasing of housing as part of this consultation. Whilst Medway Council acknowledge that the policies provide an indication of the preferred approach and the available evidence base, until the Council undertake an assessment of both the availability, suitability and deliverability of preferred sites, there is very little opportunity to test the Council's assertion that there is sufficient capacity in the preferred Strategic Growth Option to meet the scale of housing growth needed in Medway to 2041.
- 4.29 The Land Availability Assessment (LAA) is only part one of the assessment and appears to comprise only a collection of promoter and landowner responses to the call for sites consultation. There is no assessment or interrogation of the deliverability of any sites. This assessment is fundamental to plan-making and ensuring the plan delivers a sufficient number of sites to meet quantitative and qualitative housing needs. Whilst this should have been completed prior to this consultation, Richborough would expect the later parts of the LAA to become available prior to the next Regulation 19 consultation, as minimum. This will ensure that there is sufficient time for industry professionals and landowners to review the findings and form conclusions on the availability of land. This assessment cannot be meaningfully completed and reported on within a Regulation 19 consultation period.
- 4.30 We note the Sustainability Appraisal, prepared by Lepus Consulting, includes an element of assessment work. However, this focuses on the environmental implications of development without the wider economic and social dimensions factored in. Paragraph 32 of the NPPF is clear that a Sustainability Appraisal should demonstrate how relevant economic, social and environmental objectives have been addresses, including opportunities for net gains. The LAA therefore, should already have been completed by Medway Council and needs to consider the social elements of growth such as the delivery of affordable housing, the delivery of house types and sizes that have a demonstrable need, and economic factors such as viability constraints, housing market areas and commuter patterns.
- 4.31 It will be critical for supporting evidence base documents to interrogate the viability of delivering sites at the density suggested and to thoroughly test the estimated delivery timescales of sites within the trajectory based on the level of infrastructure provision required. While there is no information available as to the delivery of units within the urban regeneration areas, the estimated delivery timescales for emerging allocations will need to factor in the speed with which necessary strategic infrastructure works can be completed. Paragraph 75 of the NPPF is clear that strategic policies should include a trajectory illustrating the expected rate of housing delivery over the plan period and, if appropriate, set out the anticipated rate of development for specific sites. In this instance it will be appropriate for the trajectory to provide detail on individual sites and how the infrastructure will be forthcoming.

- 4.32 The viability of the proposed allocations should also comprehensively address the response to the loss of HIF funding for infrastructure improvement schemes, originally awarded to help deliver housing on the Hoo Peninsula. While some development in Hoo may still be considered suitable, adequate evidence will need to be provided to show how sites can viably and sustainably come forward whilst also providing obligations to the necessary infrastructure improvements.

## 5. Affordable Housing

- 5.1 Policy T3 relates to the delivery of affordable housing and proposes a 30% requirement on suburban greenfield sites and the Hoo Peninsula; and 10% on brownfield inner urban sites. The distinguishment between the high and low/marginal value areas is identified in the Local Plan Viability Assessment.
- 5.2 Richborough does not object to the principle of adopting a staggered affordable housing requirement based on market values of different geographic areas. However, there is insufficient evidence to suggest the identified affordable housing requirements can be viably achieved and that overall affordable housing needs will be met.
- 5.3 Richborough is of the view that the identified needs can only be met if development is allocated across a range of areas, including those where development is most viable and avoiding over-reliance on the Hoo Peninsula and urban locations. This is particularly the case since the withdrawal of the HIF funding and the conclusions of the Viability Assessment that: *“Of the brownfield typologies, there is little scope for any developer contributions, even without affordable housing on the higher density and the Build to Rent schemes”* (paragraph 12.67).

### **Affordable housing on brownfield inner urban sites**

- 5.4 Turning first to the 10% affordable housing requirement on brownfield inner urban sites. The Reg 18 LP describes the preferred Spatial Growth Option (SGO3) as follows:
- “There is a ‘brownfield first’ focus with regeneration in urban centres and waterfront locations... About half of the development would be on brownfield land.”*(paragraph 3.1.4)
- 5.5 Whilst Richborough agrees that residential development in urban areas presents opportunities for regeneration, the quantitative and qualitative needs for housing in Medway cannot be met with half of the residential allocations being brownfield.
- 5.6 The PPG provides guidance (paragraph: 018 Reference ID: 3-018-20190722) on assessing the suitability of sites and highlights the following factors for consideration:
- *appropriateness and likely market attractiveness for the type of development proposed;*
  - *contribution to regeneration priority areas;*
  - *environmental/amenity impacts experienced by would be occupiers and neighbouring areas.*
- 5.7 Urban core developments are typically high density apartment-led schemes, which deliver smaller homes with limited private amenity space. Table 6.1 of the Local Housing Needs Assessment (LHNA) (October 2021) provides the overall annual dwelling type and tenure mix recommendations and shows that 15-20% of new housing is recommended to be 1 bedroom flats and 20-25% 2 or more bedroom flats. While this shows that there is an identified need for smaller flatted development in Medway, the majority of the need

remains for larger houses. These typologies clearly do not accord with town centre locations.

- 5.8 Paragraph 5.11 of the LHNA confirms that the expected housing choice for 65.3% of older households is to downsize. The stakeholder engagement summary provided at paragraph E9 suggests this is a desire to downsize to bungalows or small units in “community-based” developments. These identified needs do not align with significant urban area growth and would more likely be met through suburban development. The site promoted by Richborough can accommodate an element of retirement living and will be centrally located close to the onsite local centre and accessible open space, ensuring a community based approach to the design of this housing tenure is realised.
- 5.9 In respect of affordable housing need, Table C9 of the LHNA provides a comparison of existing affordable housing stock against annual need by bedroom numbers and it is clear that there is a particular shortfall of 4 or more bedroom affordable dwellings. Given the high density nature of residential developments in urban locations, due to land availability and viability pressures, it is unlikely that this shortfall in qualitative affordable housing need is going to be met in urban areas.
- 5.10 Richborough is also concerned about the potential for such schemes to deliver any affordable housing at all given the conclusions of the Viability Assessment. Further work, including an update to the Viability Assessment (currently dated 2021) is needed to be able to demonstrate that the affordable housing need can viably be met at both a Borough-wide level, but particularly on sites in the urban area.
- 5.11 With regard to the delivery estimations for land in the urban area, such as Chatham Waterfront for example, there are inherent risks associated with relying on new residential markets emerging in town centres in order to meet a Borough’s housing requirement. This approach places significant burden on these locations given the context of them not being established residential locations with appropriate services and amenities and being reliant on developers providing or contributing to new residential markets from a standing start.
- 5.12 It would therefore be prudent for the emerging Local Plan to progress with conservative estimations on delivery in these unproven locations so that if delivery falls short, the delivery of the Borough-wide housing requirement is not undermined.

### **Affordable housing on suburban greenfield sites**

- 5.13 Richborough accept that affordable housing provision on greenfield sites is more likely to be viable than brownfield sites and therefore broadly agree with the principle of the proposed 30% affordable housing requirement. However, Richborough have concerns over the ability of certain edge of settlement areas identified for growth in SGO3 to deliver 30% affordable housing.
- 5.14 With regard to the proposed growth at Hoo, we note that the Viability Assessment (dated 2021 but with a 2024 covering sheet) still makes allowances for the now withdrawn HIF funding to deliver necessary highway improvements to facilitate residential growth at Hoo. Paragraph 1.9 for example, suggests Medway Council is pursuing a Housing Infrastructure Fund (HIF) bid in relation to the proposed development on the Hoo Peninsula. The Viability Assessment is clearly not up to date and able to support this

consultation and results in Policy T3 being unjustified and without the necessary clear evidence to support it.

- 5.15 Paragraph 7.31 of the Viability Assessment suggests the *“monies that have been provisionally secured through the HIF bids on the Hoo site are deducted”* from the assumed Section 106 contributions identified in Table 7.1 for Strategic Sites. For the Hoo Peninsula Strategic Site the estimated contribution cost per dwelling (with the HIF funding deducted) is still almost five times (£27,557) the estimated contribution for other strategic sites at Chatham Docks Strategic Site, Strood Strategic Site and Chatham Strategic Site (£5,690 and £5,628).
- 5.16 Whilst the Viability Assessment concludes that 30% affordable housing can viably be achieved at the Hoo Strategic Site, the funding for the necessary highway works will need to be added to the already high estimated contribution costs and the cost per dwelling in this location will rise. There are alternative greenfield, edge of settlement sites that can accommodate, collectively, the same level of growth as proposed at Hoo and would not trigger the need for such significant investment in infrastructure. The Site at Lower Rochester Road for example could help deliver some of the identified junction improvements, without causing impacts on the highway network, and therefore contribute to realising the potential for further development at Hoo St Werburgh.
- 5.17 It has not been evidenced by Medway Council that affordable housing can be viably delivered in these areas and Richborough considers there to be a need for additional residential allocations to ensure the Borough’s qualitative housing needs, including both affordable and retirement living, are met in full.

## 6. Policies Map – North West

- 6.1 The Preferred Sites for residential development identified on this North West Map are primarily located on the edge of Hoo. We have provided commentary in respect of the site selection process and the ranking of specific sites in our response to the Interim Sustainability Appraisal but wish to raise further concerns in respect to the scale of development proposed in this location.
- 6.2 Medway Council clearly anticipate significant levels of growth around Hoo without evidenced consideration for how the infrastructure will be delivered. Medway Council's response to the loss of the previously allocated HIF funding programme needs to be justified as the allocation of sites cannot proceed without significant highway works and junction improvements.
- 6.3 Richborough contend that Hoo can accommodate a level of residential growth but any transformational change of this area of the Borough will be severely hampered by highway and accessibility constraints, as well as the need to provide additional services and amenities. The existing highway capacity issues will need to be comprehensively addressed, including those at the Four Elms Roundabout. The Strategic Transport Assessment (STA) confirms that the *“committed growth on the network is forecast to have the biggest impact surrounding the Four Elms Hill roundabout whereby queue lengths of 130 and 62 and 120 and 46 are observed on A289 Hasted Road and A289 Wulfere Way in the AM and PM peak respectively”* (paragraph 6.4.3). Richborough contends that without the junction improvement to the Four Elms roundabout, traffic seeks to avoid the junction and re-routes across the local highway network and reduces capacity in other routes that can't accommodate the traffic flows as efficiently as the A289.
- 6.4 The STA identifies a mitigation scheme to improve the Four Elms Roundabout as being fundamental to the delivery of development across the area, and that this should be given the highest priority when looking at infrastructure proposals.
- 6.5 The decision to plan such significant levels of development at Hoo in the knowledge that the necessary junction improvements are unfunded and without a mitigation strategy in place is not conducive to good plan-making. It wouldn't represent sustainable development and wouldn't comply with the NPPF, including paragraph 20, which requires strategic policies to make sufficient provision for infrastructure for transport.
- 6.6 There is already a high dependence on private vehicles for most residents on the Hoo Peninsula given its relative poor access to public transport and the capacity constraints of junctions on the existing nearby road network. Richborough are of the view that the committed developments at Hoo are putting the highway network under strain and no additional residential development should come forward until mitigation measures are identified and funded.
- 6.7 There are several alternative sites that are less constrained by existing highway issues given their location closer to Wainscott and Strood and less reliant on the already constrained junctions in the area. LAA Site SR17 which is promoted by Richborough is included in this tranche of sites and should be considered for allocation ahead of the Hoo sites. Site SR17 presents an opportunity for Medway Council to deliver junction



improvements at Four Elms Roundabout that will assist in reducing congestion and potentially increase capacity for development on the Hoo Peninsula. It will also deliver a sustainable and self-sufficient extension to Wainscott on land which is not located within the Green Belt.

6.8 The Vision Document prepared by Richborough refers to improvements to the Four Elms Roundabout, including an integrated left turn lane to ease congestion at this key pinch point. This work was originally due to be funded by HIF but is now proposed to be funded and provided by promoters of SR17, which is a major benefit of the proposals and will enable Medway to strategically plan for further residential development.

6.9 As noted in representations made to the Sustainability Appraisal, there are ecological designations which are of national and local importance located on the Hoo Peninsula. Whilst Richborough acknowledges that some growth in these locations may be able to be accommodated with appropriate mitigation measures, there remains serious concern regarding the level of growth proposed at Hoo.

### **Site SR17 - Land off Lower Rochester Road**

6.10 The land under Richborough's control is identified on the submitted Location Plan (note there is a slight variation from that shown in the LAA and the previously submitted Vision Document).

6.11 The Concept Plan submitted with these Representations shows that the Site can accommodate a residential-led mixed use development, accommodating up to 900 dwellings, a local centre, retail uses, care facility and primary school, as well as associated infrastructure, landscaping and open space.

6.12 The Site comprises approximately 50.03ha of land to the north of Wainscott which is outside of the Green Belt.

6.13 The proposed masterplan shown in the Vision Document is structured as follows:

- Residential - 19.9ha (49.1 acres)
- Education (2FE Primary School) - 2.2ha (5.4 acres)
- Local Centre - 0.3ha (0.7 acres)
- Retirement living - 1.0ha (2.5 acres)
- District heating compound - 0.2ha (0.6 acres)
- Retail with electric vehicle charging facility - 1.8ha (4.5 acres)
- Green and Blue Infrastructure & Public Open Space (including SuDS) - 22.9ha (56.5 acres)

6.14 Key design features include:

- Safe access to be provided off Lower Rochester Road and Bunters Hill Road with vehicular and pedestrian connectivity ensuring safe and accessible routes to local services and amenities including cycle and bus service improvements.
- A good mix of house types, including smaller houses for downsizers or single occupants and family housing. The proposals provide older persons accommodation and the housing proposed will include Policy compliant rate of M4(2) and M4(3) units to ensure older people and people with mobility problems can be accommodated.
- A local centre positioned close to the key arterial route and expected bus route. The local centre is anticipated to include shops, services and space for community uses.
- Use of buffer planting to screen the development from the north, east and west. This includes retention of existing trees and hedgerows where possible and the provision of additional planting.
- Provision of vegetation corridors through the site and along the southern boundary. The ecological corridors are to include native planting, protect residential amenity and enhance biodiversity. Large areas of open space will include amenity greenspace, proposed and existing footpaths and cycle links, play space, orchard planting and native woodland planting and landscape screening.
- Use of SUDS in the form of a surface water attenuation features across the site and in the vegetation corridors.
- Active frontages with homes orientated towards both key internal streets and the countryside.
- Introduction of a clear street hierarchy incorporating a principal street through to local streets, lanes and shared surfaces. Each reinforces areas of differing character and density with all dwellings utilising a variety of high-quality design and materials to reflect local character. The street hierarchy will also include the provision of street trees.

## **Highways, Sustainability and Access**

- 6.15 The primary site access is off Lower Rochester Road via a proposed four-arm roundabout and a further pedestrian and vehicle access is proposed from Bunters Hill Road to the east. The access off Higham Road will take the form of a priority junction. The road network within the site shows a hierarchy of street typologies, including tree lined boulevards and a circular route through the site passing the local centre, extra care facility and primary school.
- 6.16 The Illustrative masterplan shows how the public right of way can be incorporated into the development and sit within a series of pedestrian links through the site.
- 6.17 The proposed scheme includes the provision of a bus route through the site linking to Strood, Wainscott and Rochester. There is also provision made for cycle infrastructure improvements to the National Cycle Network Route 1 along Lower Rochester Road.

- 6.18 Finally, the Vision Document outlines opportunities for the Site to deliver junction improvements at Four Elms Roundabout that will assist in reducing congestion and potentially increase capacity for future development on the Hoo Peninsula, as sought after by the Council. This work was originally due to be funded by HIF but is now proposed to be funded and provided by promoters of Site SR17, which is a major benefit of the proposals and will enable Medway to strategically plan for further residential development.

## **Other Technical Matters**

- 6.19 The drainage strategy confirms the Site is underlain by the Lewes Nodular Chalk Formation bedrock and therefore infiltration into the chalk is considered an option, in accordance with the SUDs hierarchy. A combined storage volume of approximately 15,500m<sup>3</sup> is required to cater for all events up to the 1 in 100-year return period with a 40% climate change allowance. Surface water flows will be conveyed using a combination of swales and sewers to multiple infiltration basins across the Site with up to five catchments identified. Treatment methods will be implemented in the basins as well as the provision of swales, filter trenches, rain gardens and permeable paving across the development area.
- 6.20 There are no ecological designations on site and whilst the Site has the potential to support low numbers of protected species, the impacts on these can readily be accommodated within the scheme. The Site presents opportunities to provide post-development landscaping that will provide ecological enhancements through the provision of sustainable drainage systems, biodiverse rich grassland, new hedgerows, and tree planting which would uplift the value of the Site from the current intensive arable fields. The existing hedgerow as well as area identified as Traditional Orchard will be retained and enhanced overall.
- 6.21 The Concept Masterplan, with appropriate mitigation such as landscape screening and built development buffers, would result in less than substantial harm at the low end of the spectrum to the heritage significance of the Grade II Listed Sole Street Farm, via a change in setting. The proposals will result in no harm to the heritage significance of the Grade II Listed Brickhouse Farmhouse and the Grade II Listed Stone House Farmhouse. Hence the setting of these designated heritage assets is not considered to be a major constraint to the deliverability of the quantum of development proposed.
- 6.22 With regards to landscape impacts, the site is not situated within any national landscape designations and the site is not of notable landscape quality or value. The site mainly comprises rationalised arable fields showing signs of hedgerow loss and the commercial orchard is characteristic of the local landscape and does not form part of a historic orchard.
- 6.23 The site is relatively enclosed with views from the wider area limited. Where views are available they are generally from isolated PRow's to the west and south-west from where it is possible to see the northernmost part of the Site. Views from the north are limited and there are no views from the areas of higher ground to the north-east within the adjacent Area of Local Landscape Importance. There are also no views from the north due to the intervening topography and layers of vegetation. Landscape mitigation can be provided through the provision of additional planting at key locations and site boundaries.

- 6.24 The Concept Plan in the Vision Document clearly shows how the various pipelines, and associate easements, which cross the Site, have been accommodated within the layout, facilitating new green corridors to connect different character areas of the site.
- 6.25 The future development of the Site will have positive economic, social and environmental benefits, helping to achieve sustainable development in accordance with the NPPF.

### **Availability**

- 6.26 The subject site is available for development, suitable, sustainably located and development here would be achievable with construction commencing and dwelling completions being achieved in the next five years. Moreover, there are no known viability issues, and any scheme would provide a policy compliant suite of planning obligations in respect of affordable housing as well as providing policy compliant on site open space for the benefit of new and existing residents. The identified benefits would have a significant material positive effect on the local community.

## 7. Policies Map – Urban Core

- 7.1 Richborough notes the scale of development proposed in the urban area and specifically at sites close to the designated historic features in the urban area of Chatham. It is critical to the protection of the local historic character that new development is of a high quality and sensitively designed to complement the historic features in situ. The holistic development of the urban area will be critical to achieving this and will inevitably impact on the lead in times and delivery rates of new dwellings within this area.
- 7.2 Richborough notes that the urban area is also affected by the Marine Conservation Zone and includes the historically politically sensitive Chatham Waterfront. It is critical that the emerging Local Plan rigorously assesses the suitability of sites in this area and whether they can be developed sustainably and viably, as well as deliver the typology of housing for which there is a need.
- 7.3 Whilst urban regeneration schemes help deliver housing in sustainable locations and at higher densities, the lead-in times for urban sites where there are technical or ownership challenges to overcome can impact the rate of housing delivery. Too much reliance on urban sites in the Local Plan trajectory should be avoided, as much needed housing may be slow to be delivered.
- 7.4 A number of the urban sites have been available for several years without development coming forward despite Development Briefs being prepared and rising house prices in the areas generally. The Chatham Centre and Waterfront Development Brief was adopted in 2008, and page 91 suggests *“the proposals identified in this brief are expected to take around 13 years to realise but this will depend on market conditions and other factors.”*
- 7.5 Despite this, the number of Preferred Sites that are yet to be delivered 16 years after the adoption of the Development Brief, shows that there are inherent risks to the timely delivery of brownfield urban residential development. In the event Medway Council proceed to allocate sites in this area, there is a strong likelihood that this element of the Council's housing supply will not be delivered either within the estimated timescales, or worse, fail to be delivered due to poor market interest in this location.
- 7.6 Many of these sites also currently appear to be in alternative uses with no certainty they will come forward at all. There does not appear to have been any consideration of implications for current uses.
- 7.7 Representations made to the Affordable Housing section of the Reg 18 LP have identified further issues with successfully delivering a range of housing typologies within the urban core. This highlights that given the high density nature of residential developments in urban locations, as well as viability pressures, it is unlikely that qualitative market and affordable housing needs will be met in urban areas.

## 8. Policies Map – South East

- 8.1 Richborough questions the ability to deliver the scale of development shown at Capstone Valley, particularly when considering the designated ecological assets and locally important areas of open space in the nearby area.
- 8.2 The designated habitats and landscapes which form a large part of Medway's southern extent include the Kent Downs AONB to the south of Capstone as well as a series of Local Nature Reserves and Sites of Special Scientific Interest (SSSI). Capstone Farm Country Park is also centrally located within the Capstone Valley and the Preferred Sites appear to immediately abut the Country Park on the southern, western and northern sides, which would significantly alter its character.
- 8.3 Richborough have significant concerns over the impact this level of development will have on the AONB, ecological designations and the pressure this would put on the Country Park. Capstone Valley is also heavily undulating on the western edge, with the Preferred Sites falling steeply to the east. Whilst there are obvious viability and technical concerns in respect of delivering houses on topographically challenging land form, any development in this landscape will be highly visible.
- 8.4 Medway's Landscape Character Assessment confirms in respect of the Country Park (LCA D3) that *"steep valley sides provide a green and wooded backdrop"*. The Assessment also references the importance of this area in retaining a sense of separation between Hempstead and Princess Park/Wayfield.
- 8.5 Richborough does not consider the Preferred Sites within the Capstone Valley to the west of the Country Park and north of the AONB to be suitable for development.
- 8.6 Richborough also has concerns with the scale of potential development in this location due to significant capacity issues and highway network issues concentrated along the M2 corridor, as evidenced in the Strategic Transport Assessment. The site selection methodology for residential allocations should factor highway capacity issues and sites that are able to deliver or contribute to necessary improvement schemes should be given priority.



## 9. Interim Sustainability Appraisal

9.1 The Interim Sustainability Appraisal (ISA) prepared by Lepus Consulting considers four growth strategies as follows:

- Assessment of housing growth options - this assessment considers the impacts of growth both with and without the identified additional housing need of Gravesham (2,000 dpa).
- Assessment of spatial delivery options - this assessment ranks the impacts of growth on defined geographical areas of Medway (defined at Figure 4.1 of the ISA).
- Assessment of spatial growth options - this assessment compares the potential impacts of the three Strategic Growth Options identified in the Reg 18 LP. The three options comprise an urban regeneration focus of growth, a dispersed option for growth and a blended strategy of the dispersed and urban focus.
- Assessment of reasonable alternative sites - this assessment compares the impacts of development on each site identified in the LAA.

9.2 Paragraph 32 of the NPPF is clear that Local plans should be informed throughout their preparation by a Sustainability Appraisal that meets the relevant legal requirements, and this should demonstrate how the plan has addressed relevant economic, social and environmental objectives including opportunities for net gains. Alternative options should also be considered in order to avoid adverse impacts on these objectives.

9.3 Commentary on each of the assessment are provided below.

### **Assessment of Housing Growth Options**

9.4 It is unclear what the purpose of this assessment is. The conclusion simply states that the Option with the least amount of growth (Option 1) has been shown to perform better compared to Option 2, the Option including Gravesham's needs.

9.5 The Appraisal has failed to assess a sufficient number of reasonable alternatives, including for higher levels of housing and meeting the needs of Tonbridge and Malling Borough Council, which may have indicated significant positive impacts in respect of social and economic objectives. This is particularly the case in Medway given the historic under delivery of both market and affordable housing.

9.6 This assessment alone should clearly not form the basis of the Council's emerging Local Plan as it fails to consider the wider context of the area or adequately factor in the social and economic implications.

### **Assessment of Spatial Delivery Options**

9.7 Paragraph 4.1.2 of the ISA seeks to explain how the Spatial Delivery Options (SDOs) have been identified by Medway Council:

*“...The broad locations which form the SDOs cover a range of land use types, which could provide a mixture of sites including greenfield and rural development as well as opportunities for regeneration of brownfield land, in order to explore the relative benefits and challenges associated with growth in these areas across Medway. The SDOs are potential components of a spatial strategy; no single SDO can meet Medway’s development needs...”*

- 9.8 There is no clear justification for the boundaries chosen for each of the SDOs and this results in confusing results in the assessment table, which could be subject to bias.
- 9.9 For example, the Housing objective ranks SDOs based on the number of residential units that could be accommodated. The ability to score or rank well against this objective is therefore wholly dependent on the geographical boundary for each SDO.
- 9.10 It should come as no surprise that the highest ranking SDOs against this objective are the Council defined boundaries for Hoo Peninsula, Urban, Capstone Valley and Chatham Docks.
- 9.11 Richborough note that had the SDO boundary for North of Strood been joined with Cliffe and Cliffe Woods SDO, this would outperform Capstone Valley and Chatham Docks SDO’s. Richborough questions whether the SDO boundaries were retrospectively created to ensure the preferred locations for growth were ranked highest against this critical objective.
- 9.12 With regard to the education objective, paragraph 4.2.44 of the ISA confirms that the *“assessments are based on sustainable access to schools, and this does not take into account capacity of local schools or mitigation through provision of new school places with development.”*
- 9.13 Whilst the ISA correctly flags that large proportions of the Hoo Peninsula SDO are located away from education facilities, paragraph 4.2.46 appears to apply weight to the future provision of new schools: *“the southern area of the SDO would be likely to provide a large number of site end users with sustainable access to schools but not to further education.”*
- 9.14 This appears to apply weight in favour of Hoo Peninsula that is not afforded to other SDOs that may include strategic sites that may include the provision of education facilities or provide its end users with sustainable access to schools.
- 9.15 Richborough note that North of Strood, the SDO which includes the promoted site (Site SR17), ranks higher than both the Hoo Peninsula and Capstone Valley against the following objectives:
- Climate change mitigation
  - Biodiversity and Geodiversity
  - Landscape and Townscape
  - Pollution
  - Transport and accessibility

## Assessment of Spatial Growth Options

- 9.16 It is unclear how the previous assessment of SDOs has informed identification of sites that make up the various SGOs. It is also unclear how the Blended Strategy (SGO3) has been established and specifically how sites have been selected from SGO1 and SGO2 and carried through into SGO3.
- 9.17 Table 5.1 of the ISA outlines the key characteristics of each SGO. For the preferred option - SGO3 - the table confirms it is characterised by the *"likelihood of avoiding direct impacts on designations"* and *"avoiding coalescence of existing settlement patterns, i.e. maintaining a 'strategic gap'."*
- 9.18 Richborough questions the ability of SGO3 to meet these characteristics given such a significant amount of growth is directed to Hoo St Werburgh and Capstone Valley.
- 9.19 The Policies Maps published as part of the consultation material for the Reg 18 LP shows residential Preferred Sites that comprise SGO3. In respect of Hoo, the Preferred Sites are located to the north east, east, south west and west. The scale of these Preferred Sites means that no gap will be retained between Chattenden and Hoo. Chattenden also has Preferred Sites to its north.
- 9.20 Separate to concerns regarding the level of infrastructure required to deliver such a significant scale of development in one location, the level of growth is fundamentally at odds with the stated characteristic of *"avoiding the coalescence of existing settlement patterns"*. The Hoo Peninsula assessment at Appendix B of the ISA confirms there are areas of high landscape sensitivity and capacity and concludes that *"The proposed development within the SDO would therefore have potential to alter the rural character and contribute to urban sprawl and reduce the separation between settlements."* (Table B.7.1)
- 9.21 Richborough acknowledges Hoo and Chattenden are desirable locations for growth and there may be a willingness to see further development. However, the level of growth identified is not sustainable and does not allow the individual character profiles of the two settlements to be retained.
- 9.22 Similarly at Capstone Valley, the Preferred Sites identified on the published Policies Map show significant growth that would result in the coalescence of Hale and Lordswood to the west with Capstone and Hempstead to the east. This area is also at risk of coalescing with Lidsing Garden Village proposed to the south within Maidstone Borough Council.
- 9.23 These two locations are also affected by landscape, heritage and ecological designations.
- 9.24 In respect of Capstone Valley the ISA concludes at Appendix B Table B.2.1:

*"The Capstone Valley forms a green corridor linking the urban area to the open countryside in the south, in proximity to the Kent Downs Area of Outstanding Natural Beauty (AONB). Development at this location would result in a loss of the open and rural character and has potential to impact the setting and views of the AONB. Capstone Farm Country Park is adjacent to the SDO; views experienced from the country park could be adversely affected by the proposed development. The SDO largely comprises*

*undeveloped land, therefore having potential to significantly change the landscape character and reduce the separation between Hempstead and Princess Park/Wayfield."*

- 9.25 The Hoo Peninsula assessment identifies significant ecological and heritage designations with the following conclusions listed at Appendix B Table B.7.1:

*"The Hoo Peninsula SDO lies within 400m of Thames Estuary and Marshes SPA and Ramsar, Medway Estuary and Marshes SPA and Ramsar, and High Halstow National Nature Reserve (NNR). The SDO is located adjacent to multiple SSSIs, including Medway Estuary and Marshes SSSI, Tower Hill to Cockham Wood SSSI, and Chattenden Woods and Lodge Hill SSSI which is designated to protect nightingales. Some small areas of ancient woodland can be found within the SDO. Development in these areas has potential to significantly increase direct and indirect impacts on biodiversity including through habitat loss/fragmentation, pollution, recreational impacts, and predation of nightingales from cats..."*

*The SDO encompasses several rural settlements where a number of listed buildings, including several Grade I Listed Buildings, can be found. Some other heritage assets also lie in close proximity to the SDO, including the adjacent Cooling Castle SM which is on the Heritage at Risk register, and Upnor Conservation Area. The proposed development in the currently undeveloped areas has potential to adversely affect the significance or setting of heritage assets within the area, and alter historic character."*

- 9.26 Whilst Richborough acknowledges that some growth in these locations may be able to be accommodated with appropriate mitigation measures, there remains serious concern regarding the level of growth proposed at Hoo. The Preferred Sites identified do not align with the Blended Strategy characteristics and it is unclear how the conclusions of the ISA in this regard can be overlooked and such significant levels of growth remain to be proposed in these small pockets of the borough.

### **Assessment of reasonable alternatives**

- 9.27 This assessment includes a site specific review of each site which passed to Part 2 of the LAA, including the Preferred Sites identified on the Policies Maps. While there are capacities listed at Tables 6.1 and 6.2 of the ISA, it is unclear if these have been tested by the Council or if they are indicative capacities provided by landowners and developers.
- 9.28 Site SR17 is rejected as a reasonable alternative citing the following reasons: *"Loss of BMV agricultural land. The development could lead to coalescence between settlements. Potential adverse impact on listed building. Beyond reasonable walking distance to current public transport services."*
- 9.29 Richborough notes that sites including ALC Grades 1, 2 and 3 are considered to potentially result in a major negative impact on Best and Most Versatile land. Therefore, the majority, if not all, of the greenfield Preferred Sites should also be considered for rejection on this matter.
- 9.30 Richborough also notes in respect of potential heritage impacts, that Site SR17 scores the same as many Preferred Sites (including Preferred Strategic Site HHH22 with an identified capacity of 1,500) and there is no further justification for its rejection.

- 9.31 Richborough notes that Site SR17 performs better overall than many of the Preferred Sites, as identified on the Council's published Policies Maps. For example, the large site to the south of Hoo (ref: HHH12) is shown as having a capacity of 1,850 dwellings yet is scored 'Major Negative' in more categories than any of the other Strategic Sites within the assessment at Table 8.12 of the ISA. Notably, this site is the only Strategic Site that scores 'Major Negative' impacts in respect of Landscape and Townscape.
- 9.32 The proposed employment benefits (as referenced in the LAA) for Site SR17 are the same as Hoo sites HHH6, HHH12 and HHH22, yet Table D.13.1 of the ISA scores Site SR17 as 'minor positive' and the other Hoo sites listed above as 'major positive'. This should be rectified so the scoring is the same across all sites.
- 9.33 Similarly, the conclusions for some of the Preferred Sites located adjacent to Hoo, have assumed the inclusion of improvements to services that do not appear to be reflected in the consideration of sites in other locations. There is no justification or explanation for this disparity.
- 9.34 The conclusions in respect of some rejected sites also conflict with nearby or adjacent Preferred Sites. For example, Site HHH9 is a small parcel of land that sits between HHH12 to the south (Preferred Site with a capacity of 1,850) and HHH8 to the north (Preferred Site with a capacity of 450). However, the concluding statement in respect of HHH9 (Table 8.15 of the ISA) includes the following reference: *"The development could lead to coalescence between settlements"*. It is unclear how this site could be considered for rejection on this basis when HHH12 is not.
- 9.35 Rejected Strategic Site HHH7 is located to the north of Hoo and to the east of Preferred Sites HHH6 and HHH3. Again, the concluding statement in respect of Site HHH7 is that it could lead to coalescence despite there being no notable difference between the three sites in respect of proximity to adjoining settlements. The assessment has clearly been applied inconsistently across the Sites, which may reflect that the ISA has been prepared retrospectively, in order to evidence the selection of Sites within Medway Council's preferred areas of growth.

## 10. Policy DM6: Sustainable Design and Construction

- 10.1 Policy DM6 sets out minimum standards for all new forms of development when considering sustainable design and construction.
- 10.2 Richborough supports the principle of the Policy but has concerns over the achievability of the following criteria when considered within the context of the scale of development needed in the Borough and the type of development being promoted by the Council:
- *“This should include design principles founded on locally sourced and/or recycled materials”*
- 10.3 Medway Council require 1,658 dwellings per annum to be built over the plan period and have identified Preferred Sites with a focus on urban regeneration. There is insufficient evidence to suggest the housing land identified for growth can viably incorporate locally sourced or recycled materials into the design.
- 10.4 There is a wider point that needs evidencing around the availability of locally sourced materials to feature, as a minimum, in all new forms of development.
- 10.5 Richborough does not consider the Policy to be justified or effective as currently drafted.



## 11. Policy T26: Accessibility Standards

- 11.1 Policy T26 establishes accessibility standards for strategic and major developments. The first section of the Policy relates to the desired mode of travel to destinations for education, shopping, socialising and exercise. The Policy then seeks to apply “maximum walking distances to bus stops as part of medium to longer distance journeys” and provides the following table:

**Table 11.1: Table within Policy T26**

Situation	Maximum walking distance (metres)
Core bus corridors with two or more high-frequency services	500
Single high-frequency routes (at least every 12 minutes)	400
Less frequent routes	300
Town/city centres	250

- 11.2 There is a lack of clarity around the final distance in the table and whether this relates to bus stops. The first three options cover all potential bus frequency options so further explanation is needed as to what “Town/city centres” means in this context.
- 11.3 If Medway Council are expecting all strategic and major developments to be within 250m of a town or city centre this should be made clear and potentially added to a separate table for clarity.
- 11.4 The Manual for Streets (MfS) document at section 4.4 refers to walkable neighbourhoods of being typically characterised by having a range of facilities within 10 minutes’ walk (800m) of residential areas. However, the document states that this is not an upper limit and refers to walking offering the greatest potential to replace short car trips, particularly those under 2km.
- 11.5 If the 250m distance in the table is for maximum pedestrian distance to a local or city centre, the distance should be increased significantly in line with the recommendations of MfS.
- 11.6 Richborough does not consider the Policy to be justified or effective as currently drafted.

## 12. Question 8: Do you consider that exceptional circumstances exist to justify review of the Green Belt boundary?

- 12.1 The NPPF states that the Government attaches great importance to the Green Belt and its fundamental aim is to prevent urban sprawl by keeping land permanently open. Whilst the Green Belt is not an environmental designation, it is a strategic planning tool which was introduced to manage the growth of urban areas. It is therefore wholly appropriate to revisit Green Belt boundaries when development requirements justify this.
- 12.2 Richborough do not consider it necessary for an authority such as Medway, with only 5% of its land as Green Belt, to propose the removal of Green Belt parcels for residential development as exceptional circumstances are unlikely to be demonstrated. While Medway is also constrained by ecological designations, the Green Belt in Medway plays an important role in maintaining the strategic gap between local settlements, including Strood and Higham, Cuxton and Meopham and Snodland and Rochester.
- 12.3 The possible cross authority development sites and emerging allocations on the boundary of Medway are coming forward in the context of Gravesham, Maidstone and Tonbridge and Malling being heavily constrained by Green Belt. The Green Belt sites in Medway, as referenced in the Consultation Document, also include significant swathes of the Kent Downs AONB. These designations are afforded national policy protection, and the loss of these sites are to be avoided wherever possible. Paragraph 176 of the NPPF states *"Great weight should be given to conserving and enhancing landscape and scenic beauty in National Parks, the Broads and Areas of Outstanding Natural Beauty which have the highest status of protection in relation to these issues..."*
- 12.4 There is sufficient land outside the Green Belt in Medway, brownfield and greenfield land, to meet housing needs. Richborough do not consider the possibility of providing a cross authority development an exceptional circumstance to justify Green Belt loss when suitable sites, such as Site SR17, are available. Paragraph 141 of the NPPF confirms before concluding that exceptional circumstances exist to justify changes to Green Belt boundaries, the strategic policy-making authority should be able to demonstrate that it has examined fully all other reasonable options for meeting its identified need for development.
- 12.5 Richborough has provided commentary in respect of the Interim Sustainability Assessment (ISA) site assessments and concludes that there are additional sites suitable for development that have currently been rejected. Richborough recommends Medway Council interrogate the viability and suitability of the Preferred Sites to evidence how the housing needs will be met in full. Richborough anticipate additional sites will be required and more suitable sites will be available in the LAA, including Site SR17.

## Appendix 1: Site Location Plan (Revised)

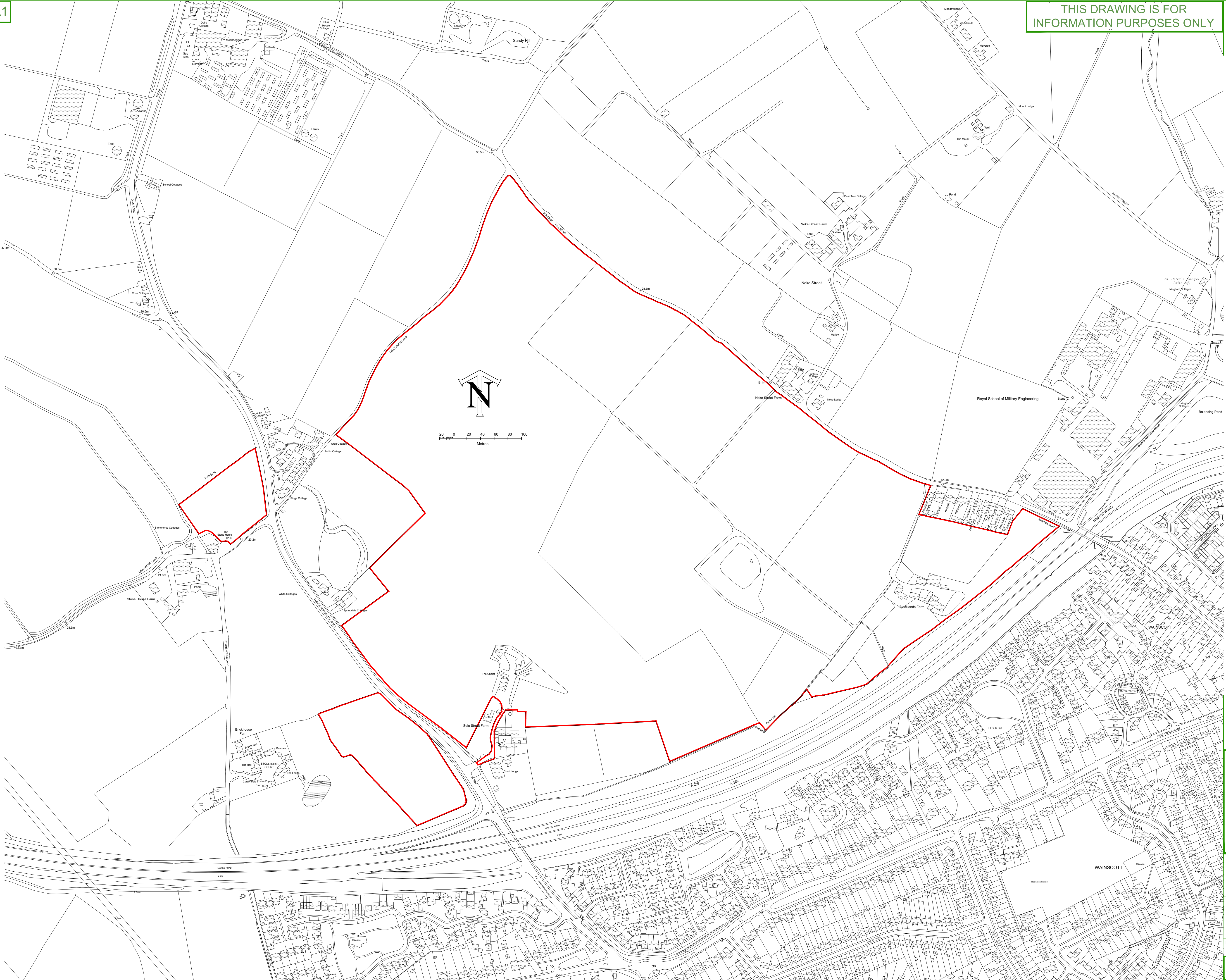


THIS DRAWING IS FOR  
INFORMATION PURPOSES ONLY

Notes:

Key:

Indicative Site Boundary



A. Parcel added to west. Areas updated  
Revision:

RBH 24-07-24



**Bristol**  
Third Floor, Clockwise  
Generator Building  
Counterslip  
Bristol BS1 6BX  
Tel: 0117 379 0147

**Head Office  
Birmingham**  
Second Floor  
Waterloo House  
20 Waterloo Street  
Birmingham, B2 5TB  
Tel: 0121 633 4939

**London**  
8 St James Square  
London  
SW1T 4JU  
Tel: 02030 111 353

[info@richboroughestates.co.uk](mailto:info@richboroughestates.co.uk)

Development Name:	Status
Land off Bunkers Hill Lane	

Title: **Site Location Plan**

Drawn date: 09-01-23	Drawn by: R.B.H.	Scale: 1/ 2500 @ A
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Drawing number:	Revision:
RE-WSCT-SLP-01	A



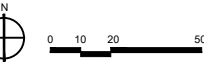
## Appendix 2: Concept Plan (Revised)





**Land north of Hasted Road, Wainscott**  
Proposed development concept plan

REVISION: D: C: DATE:



**KEY**

- Site location  
123.63 Acres  
50.03 Hectares
- Higher density
- Medium density
- Lower density
- Residential development  
49.1 Acres  
19.9 Hectares  
Up to 900 dwellings
- 2FE primary school  
5.4 Acres  
2.2 Hectares
- Local centre  
0.7 Acres  
0.3 Hectares
- Retirement living  
2.5 Acres  
1 Hectare
- District heating compound  
0.6 Acres  
0.2 Hectares
- Potential retail use  
4.5 Acres  
1.8 Hectares
- Public open space
- Existing landscape
- Proposed landscape
- Indicative sustainable drainage
- Communal food growing areas
- Existing public footpaths
- New footpaths and cycle routes
- Listed building

**DESIGN NOTES**

- Proposed new roundabout and principal development access;
- Landscaped gateway feature, incorporating existing (underground) services;
- Potential pedestrian/cycle access;
- New vehicular and pedestrian access via Bunters Hill Road;
- Pedestrian, cycles and emergency vehicles access only;
- Existing public footpath retained;
- Potential compound area (+buffer) for new centralised district heating;
- Gateway frontage, tying into existing built up area;
- Landscape buffer and lower density edge;
- Outward facing continuous frontages;
- Existing buildings to be removed;
- Potential (internal) emergency vehicles access;
- Central green corridor with new landscape and sustainable drainage (addressing pipelines);
- East-west ribbon park (addressing pipelines);
- Medium-risk HSE zone restricted to max 40dph and total 30 dwellings;
- Retained planting for communal food growing areas;
- Main street and bus route;
- Potential retail uses;
- Proposed hedgerow removal;
- Supplementary woodland planting and ecology area; and
- Potential additional greenspace

**NOTES**

This drawing is for illustrative purposes and is subject to detailed design survey. All plotted boundaries and areas are subject to title verification and not to be relied upon.



**@A1** PROJECT:  
**LAND NORTH OF HASTED ROAD  
WAINSCOTT**  
DRAWING TITLE:  
DEVELOPMENT CONCEPT PLAN

JOB NUMBER:	DRAWING NUMBER:	REVISION:
SRM-LDC:	02	-
DATE:	CJL	CJL
25.07.2024		
SCALE:		
APPROXIMATELY 1:2500@A1		
PURPOSE OF ISSUE:		
PRELIMINARY - FOR DISCUSSION PURPOSES ONLY		





## **Response to Medway Local Plan Reg 18 Consultation**

Capstone Corridor

On behalf of F D Attwood and Partners

Prepared by Hume Planning Consultancy Ltd

Date: September 2024

## 1. Introduction

- 1.1. These representations follow the initial Regulation 18 Consultation “Setting the direction for Medway” which closed on the 31<sup>st</sup> October 2023 which were generally supportive of the local plan vision and objectives.
- 1.2 F D Attwood and Partners have a total landholding of 258 hectares (ha) within the Capstone Corridor. The family also control approximately 135ha of adjoining land to the south of Medway’s administrative boundary. This land area is known as the Lidsing Garden Community and is allocated for a mixture of 2,000 dwellings, 14ha of employment, a local centre, infrastructure and open space in the adopted Maidstone Local Plan (2024).
- 1.3 The Attwood family has consistently promoted the totality of its landholding as part of a comprehensive “vision led” masterplan for housing, employment and community uses alongside infrastructure and open space/landscaping, because it strongly believes such an approach will deliver the most benefits and will create long term certainty for the surrounding communities. This opportunity is unique and is only possible because almost the whole of the Capstone corridor is within single landownership. Baseline technical work for transport, landscape, drainage, ecology and archaeology/heritage have already been undertaken by F D Attwood and Partners so that its constraints are fully taken into account when making preliminary assumptions about the development capacity of the corridor for spatial decision making and we emphasise below why it is important for plan making that the capacity range is accurate.
- 1.4 It is relevant that planning approval was resolved to be granted by Medway Council on the 28<sup>th</sup> August 2024 for a development of 450 dwellings at Gibraltar Farm (to the north of the Lidsing allocation) served by access from Ham Lane. Planning permission has also been recently secured for 800 dwellings, after a Public Inquiry, at a site known as East Hill to the north (within the Capstone Corridor) accessed from North Dane Way. Both sites are indicatively identified in the Regulation 18 Proposals Map as part of the Council's preferred “blended” spatial option (Option 3). They are also included in the Option 2 “dispersal strategy.”

- 1.5 F D Attwood and Partners are generally supportive of the fact that the extant permissions at East Hill (800 dwellings), Gibraltar Farm (450 dwellings) and the allocation of Lidsing Garden Community (primarily allocated for 2,000 dwellings and 14ha of employment in the adopted Maidstone Local Plan), have been recognised in the preferred emerging spatial strategy.
- 1.6 The totality of the F D Attwood landholding and already consented/allocated parcels of development (which amount to 3,250 dwellings), demonstrate the Council recognise the advantages of a comprehensive long term vision approach for the corridor which can support the plan's wider objectives as well as meeting its overall housing target requirement in a highly sustainable way, compared with other spatial option alternatives.
- 1.7 Unique to this corridor option, is that access to public open space, road and other important social infrastructure and public transport improvements that will be delivered within the Capstone corridor, alongside biodiversity enhancements, can also deliver significant benefits to the quality of life of existing residents in the surrounding urban area of Medway and Maidstone.
- 1.8 This growth can be best secured through a comprehensive approach to development, which will deliver the agreed 'vision' for Medway. After brownfield regeneration, which is supported by the landowner, this places the Capstone corridor "urban extension" ahead of other choices for the direction of growth and specifically the Hoo Peninsula, where associated infrastructure and services will primarily serve to make an inherently less sustainable location more self-contained and its investment in major infrastructure will dilute the economic and social benefits this option can deliver. It is also relevant, as an urban extension that is within single ownership, that there is more certainty to the delivery of the planned housing alongside phased infrastructure provision. These representations highlight below why the delivery aspects of plan making in Medway are so important if "planning by appeal" decision making is to be avoided in the future. Spatial decision making should be weighted to reflect the greater certainty of development needs being met (and the plan therefore being effective) from the planned allocations in the Capstone corridor that will provide greater certainty of delivery in comparison with other spatial options,

whilst also “insuring” against the slower delivery of the brownfield land which F D Attwood and Partners support as a priority, as explained below.

## **2. Brownfield First and Capacity/Deliverability of the Riverside area**

- 2.1 The urban focus on brownfield regeneration is supported as a “driver” of the preferred spatial option strategy. It is critical that delivery within the plan period to 2041 is achieved and that the Government recognise that new local plans must be effective and “deliver” to meet the 350,000 dwellings per annum national housing target.
- 2.2 This context is relevant because the Medway Riverside area in the past has been slower to come forward than planned. Land assembly, abnormal costs and the greater sensitivity of these sites to viability issues (primarily increasing build cost and the volatility of particularly apartment sales values) will be ongoing and these issues will also be factors that will be scrutinised by the Inspector at the later Local Plan Examination. Wider issues of the lack of market choice and likely focus on high density apartment construction are also relevant to this spatial option. It is also recognised that in the absence of an up to date viability assessment, these sites are unlikely to deliver much needed affordable housing and normally expected development contributions, which will place further strain on existing transport and social infrastructure. Failure of the plan to deliver projected housing yields in the Medway Riverside area would put Medway in the same position for planning decision making as it currently is with the 2003 adopted plan i.e. relying on an “out of date” plan.
- 2.3 Paragraph 6.2.2 of the Sustainability Appraisal (SA) highlights that a key objective of the Local Plan is to provide for the range of housing needs for Medway’s communities and this is reflected in Policy T2 “Housing Mix”; this objective will be better achieved through the “blended” or “dispersed” spatial options which are supported in preference to “option 1” for the reasons outlined above.

- 2.4 In summary, for reasons of widening market choice, infrastructure delivery and the greater viability sensitivity of brownfield sites which are likely to affect completion rates, combined with the fact that it is recognised there is insufficient capacity yields from this spatial option alone to meet the plans development targets a “blended strategy”, is generally supported. This option will allow a contingency buffer to “insure” against the risk of housing completions from the riverside regeneration schemes coming forward at a slower rate than anticipated. These delivery issues will be focused upon with a greater level of scrutiny by the Inspector at the Local Plan Examination when scrutinising the housing trajectory profile and viability assumptions (the baseline work for which has not yet been updated). Finally, the loss of existing historic employment uses being replaced by housing to maximise housing capacity, will need to be balanced against the harm to the historic character which is identifiable to Medway. These representations have previously highlighted that the comprehensive development of the Capstone corridor will provide certainty of the effectiveness of the plan strategy and delivery of well-planned development and infrastructure, in the short term.
- 2.5 A modified Option 3 is supported by F D Attwood and Partners, with a review of the capacity of the brownfield riverside sites to create an appropriate buffer when the updated viability assessment work is available. This will allow choice and not place an overreliance on delivery numbers from the riverside area, that could lead to a scenario where there is a period of “planning by appeal” shortly after plan adoption. Although the more likely scenario is that the Local Plan Inspector will interrogate this delivery issue, giving rise to a delay in plan adoption, if this matter is not addressed at this point of plan making.

### **3. Understanding the Development Capacity of the Capstone Corridor**

- 3.1 Alongside an accurate assessment of the capacity of the riverside area, which with the caveats identified above, has always been supported by F D Attwood and Partners as an important “building block” of the spatial development

strategy; it is also important that the capacity of blended components of the spatial strategy are accurately reflected in the spatial decision making, given the importance of housing delivery completions.

3.2 The Regulation 18 Plan identifies a capacity range of 3,749 - 4,336 homes for the Capstone Valley, which principally focuses on the F D Attwood and Partners landholding. This is a dwelling range figure that excludes Lidsing Garden Community and the additional development it will deliver within Maidstone's administrative area.

3.3 Two other sites that represent existing commitments, as is recognised in the Medway Land Availability Assessment Interim Report (October 2023), are within the FD Attwood and Partners Capstone Valley allocation (for both Options 2 and 3), comprise;

- Allocation Reference LW6 (East Hill) Existing Commitment 800 dwellings
- Allocation Reference LW7 (Gibraltar) Existing Commitment 450 dwellings

Total 1250 dwellings

3.4 The first phase of East Hill is under construction and the delivery of Gibraltar Farm is no longer dependant on the acquisition of third-party land to secure an access connection to North Dane Way. As a result, there is certainty that these commitments will be delivered in the short term. Because of these existing commitments, the more accurate additional capacity of the Capstone Valley should more accurately be referenced as 2,499 dwellings - 3086 dwellings.

3.5 The preferred "blended" spatial Option 3 allocates two central linking land parcels which form part of a comprehensive approach to all but the northern portion (Darland Bank) of the whole of the Capstone corridor, which include;

- Allocation Reference LW4 (Sharsted Farm) which has a gross land area of 27.4ha. Because of the level changes in topography, the net developable area of this allocated area is approximately 500 dwellings, based on a lower range density of 25 dwellings per net developable ha.
- Allocation Reference LW8 (Central Capstone Valley Block) has a gross land area of 88 hectares. Allowing for open space/landscaping/biodiversity and the land take for other infrastructure, which will serve the wider corridor, a



net developable area of 50% of the gross (44ha) has been assumed which, at 40dph, equates to a yield of 1760 dwellings.

- 3.6 The preferred blended strategy is supported (subject to an adjustment to include a development parcel capable of delivering 500 dwellings on the lower levels of the Darland Bank), which recognises the locational and land use planning comparative advantages of the Capstone Valley. However, it is highlighted that the current expectations of the capacity of the Capstone Corridor, which affects current spatial decision making, has been overinflated because it includes existing commitments. The capacity range for the Capstone corridor under the Preferred Option 3 strategy, is therefore more accurately closer to 2,260 dwellings rather than the suggested upper limit of 4,336 dwellings.

#### **4. Justification for Inclusion of Darland Bank within a modified Option 3 “blended strategy”**

- 4.1 Site HW1, which is allocated under the Option 2 “dispersed strategy”, forms part of the Capstone vision by F D Attwood and Partners and makes a meaningful contribution (excluding the commitments which have already been approved) to the overall estimated development yield, as well as being important to delivering a comprehensive masterplanned approach to development for the totality of the landholding.
- 4.2 This land parcel is a total of 67ha of which some 30% is considered “developable” on the lower levels and cannot be viewed over longer distances which is consistent with the findings of the Landscape Character assessment. The inclusion of this area as an allocation within the preferred strategy, would yield 500 dwellings (at 25 dwellings per hectare) which will compensate for the reduced capacity estimate of the corridor noted above. This land parcel was included as an allocation in spatial Option 2. It is evident from paragraph E21 of the SA, that the comparative assessment of spatial

Option 2 in the Sustainability Appraisal has been skewed by the inclusion of Green Belt releases.

- 4.3 The inclusion of this additional area as an addition to the preferred strategy, will increase the likely yield from the corridor (excluding existing commitments) and Lidsing from the single control of F D Attwood and Partners to approximately 2,760 dwellings.
- 4.4 The supporting Sustainability Appraisal (SA) to the emerging Local Plan justifies the selection of a preferred spatial Option 3 on the basis this spatial option was considered to comparatively afford:
- Greater environmental safeguarding of sensitive areas;
  - Reduced reliance on car-based transport;
  - A reduced loss of agricultural land.
- 4.5 More detailed biodiversity and design work has been undertaken which supports the development of 500 dwellings in the lower sections of the valley. The Regulation 18 Interim SA Report (June 2024) by Lepus, recognises at para E10 "that potential impacts may be able to be mitigated through the design of the developments." F D Attwood and Partners are confident that the inclusion of this land parcel will safeguard the environmental sensitivity of this area, in line with the approach to other allocated areas of this corridor.
- 4.6 Development growth in the Capstone Valley is already supported under the preferred blended strategy. The inclusion of this additional land parcel with a capacity of 500 dwellings, could offer over 70% of the land area for biodiversity and recreational uses. The lands urban edge location will also promote travel by non-car modes as well as delivering improved bus linkages and connectivity. For these reasons, the non-inclusion of the northern portion of the Capstone Corridor for car-based reasons (bullet point 2 above) that influenced the 3 spatial option choices, is not considered to be a justified conclusion of the SA.
- 4.7 With respect to the third bullet point above, the transfer of Site HW1 from Option 2 to preferred Option 3 would result in the loss of circa 20 hectares of additional Grade 3 agricultural land. This compares equally and, in most cases, favourably with other spatial options that would result in the loss of Grade 1 or Grade 2

agricultural land. For this reason, bullet point 3 cannot be a defensible reason for the non-selection of the Darland land parcel (HW1) that was included in Option 2. It is requested that site HW1 is incorporated as an allocation for Option 3.

- 4.8 The inclusion of the development pattern for Capstone within the blended preferred spatial option, would result in the development capacity for Darland increasing by 500 dwellings, whilst delivering some x hectares of biodiversity, landscaping and informal recreational area. Ecology baseline work by F D Attwood and Partners has established that development of 500 dwellings would have no detrimental impact on the nearby Local Wildlife Sites and will provide opportunity to create a broader managed network for the corridor which is consistent with the draft "Green and Blue Infrastructure" report.
- 4.9 Importantly, in masterplanning terms, the inclusion of the HW1 site would allow a comprehensive approach to all of the F D Attwood and Partners landholding for the whole corridor from the M2 Motorway at its southern edge to Luton, which could create a continuous green network that is also one of the objectives of the Green and Blue Infrastructure. The Attwood family's preferred outcome in this Local Plan review is a comprehensive solution incorporating all of their remaining land holding in the Capstone Corridor which is a combination of preferred Option 3 and the addition of site HW1 from Option 2.
- 4.10 Medway Council's Landscape Character Assessment (LCA) accepts development could be accommodated on the lower slopes of Darland which are not widely visible. Darland land parcel forms part of the comprehensive approach to development and therefore, whilst the blended spatial strategy is supported, it is requested the capacity is adjusted and the Darland Bank valley floor incorporated in the Proposals Map.
- 4.11 Recognition of the advantages of a comprehensive approach, certainty for local community through long term planning, clear phasing of infrastructure delivery alongside development and public access and safeguarding of a new network of linked informal and biodiversity areas that will be managed, are clear benefits of the inclusion of this land parcel.

## 5. Comments on SA Methodology and Findings

5.1 There are 12 SA objectives and Capstone Valley has been individually assessed within the wider suburban location. However, Capstone Valley should be ranked higher when assessed against specific objectives including;

- SA Objective 4 Weighting on landscape, Para 4.2.19 of the SA explains why Capstone Valley has the greatest potential for adverse impact for reasons including impact on the National Landscape and coalescence. Accordingly, Capstone was ranked 11<sup>th</sup> under SA Objective 4 (Landscape and Townscape) as a “major negative impact.” The National Landscape lies south of the M2 motorway and, as part of the Lidsing Garden Community, it was accepted by a Local Plan Inspector that its impact on the National Landscape (NL) (former AONB) was acceptable. The Lidsing development at the southern end of the Capstone Corridor represents a 100ha buffer from the nearest part of the NL (AONB) which will screen the proposed allocations in Medway. This planning context is not reflected in the LCA assessment which should be corrected.
- The SA table is wrongly weighted at SA Objective 7 Housing placing Hoo with the highest score simply because it has the greatest overall theoretical housing capacity. A blended spatial strategy with the increased capacity of the Darland valley should reduce the relative weighting to Hoo. At Hoo, infrastructure investment will seek to make the location more sustainable however, development at the urban edge in the Capstone corridor will deliver benefits to both prospective occupiers and existing residents of the surrounding urban catchment which should be reflected in the updated SA assessments as the plan progresses.
- SA Objective 10 Transport. Capstone is ranked 9<sup>th</sup> out of 11 sites for transport and accessibility which is addressed in the supporting technical note from C&A.
- For SA Objective 11, the scoring matrix identifies a major negative. However, SA para 4.2.44 explains that proposed schools - to meet capacity - have not been taken in to account. For the Capstone corridor, education discussions have already been held with both Medway Council and KCC Education. The need for secondary education to be boosted, was a key infrastructure

topic considered by Maidstone's Local Plan Inspector during the Examination when assessing the Lidsing Garden Community. For these reasons, we do not consider that Capstone should score 11<sup>th</sup> - well below Hoo on other sites. Not only will secondary school provision serving Capstone improve secondary school provision for the proposed development (including Lidsing to the south), but it will also improve accessibility from the existing urban areas. This should be considered in the scoring weighting, underpinning the spatial options in the SA. Medway Council have a suitable school site within their ownership in the Capstone Corridor which was identified in the earlier 'Call for Sites' document.

- For SA Objective 12 (Economy), whilst there are references to employment land at Gillingham Business Park, it is also relevant that 14 hectares of employment will be delivered as part of the Lidsing Garden Community that forms part of the southern end of the Capstone Corridor and is also within the ownership of the Attwood family. An opportunity area for education or employment that is owned by Medway Council within the Capstone Corridor was identified through the 'Call for Sites' process.

## **6. Other Comments**

- 6.1 The draft plan uses the baseline Viability Assessment from 2021 based on an alternative spatial strategy and reflecting different market conditions. This needs to be updated, especially given that many of the assumptions on brownfield development delivery and the resultant impact on delivery of the aspirational increase in affordable provision from 25% - 30%. Whilst the aspiration to increase affordable housing requirement from 25% to 30% Policy T3 is commendable, this target requires more scrutiny, using a more up to date viability assessment.
- 6.2 F D Attwood and Partners support the protection of the Green Belt as part of the Spatial Development Strategy.
- 6.3 The support for SME Housebuilders and small sites of 5-60 units, is also welcomed to help with a balanced delivery profile.

- 6.4 The focus on securing jobs and developing skills for a competitive economy is welcomed and it is relevant that 14ha of employment land will be provided by the approved Lidsing Garden Community. This employment hub will directly adjoin Medway's administrative boundary and will also be directly served from M2 Junction 4, which will continue as an east-west connection to Lordswood. This represents a major piece of road infrastructure that was originally anticipated to be delivered when housing development was built at Lordswood and Hempstead in the 1990's.
- 6.5 The Landscape Character Assessment (LCA) June 2024, divides the Capstone corridor into 4 sections;
- D1 Darland
  - D2 Capstone
  - D3 East Hill
  - D4 Gibraltar and Central Area
- 6.6 The LCA D3 East Hill landscape appraisal does not recognise the 800 dwellings that were approved by an Inspector following a Public Inquiry, which should be acknowledged in an updated assessment.
- 6.7 The LCA D4 Gibraltar Farm Assessment of the site in the Development Management Section at Page 314, is at odds with the recent approval of 450 dwellings at Gibraltar Farm. The Lidsing Garden Community should also be acknowledged when the baseline assessment is updated at the next stage of plan making.
- 6.8 The LCA document recognises that development in the Capstone valley can improve public access opportunities and could secure a continuous green corridor linking to open countryside to the south of the M2. The totality of the corridor within single ownership, is 258 hectares (within Medway administrative area) of which less than 50% will be developed within a landscaped framework, which capacity assumptions have been based on. In this way, objectives of the LCA to safeguard longer range views, minimise development in elevated positions and maintain separation of the existing urban areas can



be delivered by the Capstone corridor based spatial option. This will also allow significant biodiversity enhancements to be delivered.

- 6.9 For Darland, the LCA's Development Management Section on Page 279 suggest that development pressure should be focused on the lower plateau and this is exactly the area where the capacity for 500 dwellings (HW1 where only 20% of the total landholding is proposed as a development area) has been identified. Transferring the HW1 allocated site from Option 2 to the preferred Option 3 strategy is requested for these reasons.

## **7. Conclusion**

- 7.1 F D Attwood and Partners are supportive of the programme for adoption of the local plan, the housing requirement target and the main spatial options that have been explored, which are in fact limited given the urban area concentration to the south of the River Medway and other identified constraints.
- 7.2 We agree that a balanced strategy that avoids Green Belt releases, represents the most pragmatic response and the preferred blended strategy is supported subject to the clarification of the development capacity and inclusion of allocation HW1 from Option 2.
- 7.3 The F D Attwood and Partners land is in single land ownership and represents an area of 258 hectares that demands a comprehensive and vision led approach to the whole of the Capstone Corridor. Because of its urban edge location and single ownership, early housing delivery is assured in comparison with other spatial options. The inclusion of site HW1 as an allocation would ensure the full capacity of the totality of the F D Attwood and Partners landholding is realised and there is certainty for Medway residents. This change would have the practical implication of increasing the capacity of the blended strategy which represents the preferred indicative approach. F D Attwood and Partners is therefore supportive of the preferred growth, which it is considered, is the most sustainable, the most likely to guaranteed early

delivery and will deliver the most benefits to the existing surrounding urban area.

- 7.4 In summary, the Attwood family's preferred outcome in this Local Plan review is a comprehensive solution incorporating all of their remaining land holding in the Capstone Corridor which is a combination of preferred Option 3 and the addition of site HW1 from Option 2.



# Technical Note

## Capstone Valley

### 18-053-004 Rev -

### Review of Reg 18 Sustainability Appraisal

September 2024

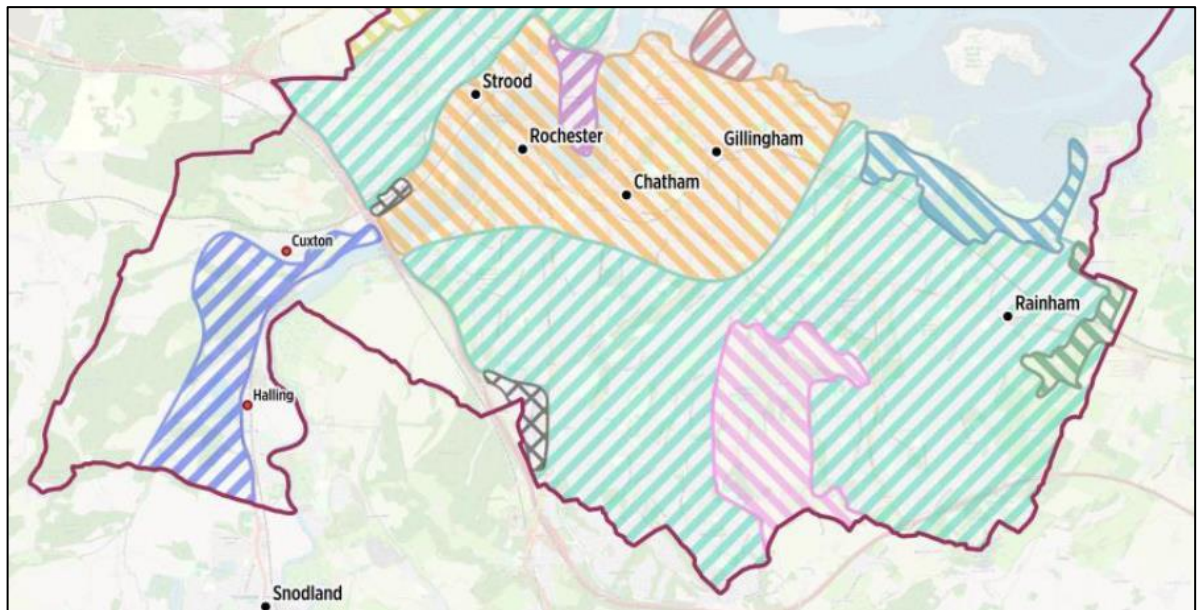
Rev	Issue Purpose	Author	Checked	Reviewed	Approved	Date
-	Draft	CG	JW	CG	--	04/09/24
A	Reg 18	CG	JW	CG	JW	06/09/24

## 1 Introduction

- 1.1.1 For the Medway Local Plan - Regulation 18 consultation, Lepus Consulting have provided a Sustainability Appraisal (SA) in two volumes. This includes an assessment of several spatial delivery options (SDO) i.e. broad locations for development across the Medway unitary area.
- 1.1.2 SA Volume 1 includes a summary assessment of each SDO against the SA Objectives and SA Volume 2 sets out more detail.
- 1.1.3 One of the spatial delivery options is the Capstone Valley which could deliver circa 4,000 homes. Charles & Associates have reviewed the SA for the Capstone Valley in relation to two Objectives in the SA: Objective 1 – Climate change mitigation and Objective 10 - Transport and accessibility.

- 1.1.4 The map below locates the Capstone Valley SDO within the Medway unitary authority in pink.

**Figure 1.1: Location of Capstone Valley SDO**



## 2 Critique of SA Criteria and Methodology

- 2.1.1 The SA acknowledges that multiple SDOs would need to come forward to provide the overall levels of growth required during the Local Plan period. However the method has an inherent bias towards smaller sites.
- 2.1.2 For Objective 1 – Climate Change Mitigation, the rankings correspond with the number of proposed dwellings and thus the intended population of each SDO. The failure of this method to reflect the opportunities of new build development to address climate change are set out further in Chapter 3 of this note.
- 2.1.3 The indicators given for the SA Objective 10 – Transport and Accessibility (set out in Volume 2 – Appendix A) are as follows:
- "Distance and accessibility to public transport options ;*  
*Distance and accessibility to key services and amenities, as well as employment opportunities ;*  
*Suitability of existing routes of access into sites, considering anticipated increases in usage."*
- 2.1.4 Of these, the third indicator describes a scenario which is very unlikely to arise for large scale allocation sites. In nearly all cases a major allocation will include upgrades to existing routes and services precisely so that these would adequately serve the travel demand which development of the land would generate.

- 2.1.5 The use of the first two indicators mean that only relatively small and/or dense urban sites close to existing local amenities and public transport services could ever score highly against this Objective. This ignores the fact that larger-scale developments can provide their own on-site facilities and transport links, as noted in NPPF paragraph 74 which states:

*74. The supply of large numbers of new homes can often be best achieved through planning for larger scale development, such as new settlements or significant extensions to existing villages and towns, provided they are well located and designed, and supported by the necessary infrastructure and facilities (including a genuine choice of transport modes). ..*

- 2.1.6 This is explained further in Chapter 4 of this note.
- 2.1.7 The detailed methodology for SA Objective 10 is also confusing and illogical (as set out in Volume 2 - Appendix C - Boxes C.11.1 – C.11.5). There are five “likely impacts” which each have a different range of possible scores. None of the individual impacts can result in a “strongly negative” score and only one of the impacts can result in a “strongly positive” score. Despite this, the SA Volume 1 has concluded that three of the SDOs have a “strongly negative” score and two have a “strongly positive score” and there is no explanation of how the individual impact scores can logically translate to these overall scores for the SDOs.

### 3 SA Objective 1 – Climate change mitigation

#### 3.1 SA Assessment

- 3.1.1 SA Volume 1 – section 4.2 states:

*“All SDOs have potential to result in adverse impacts of climate change mitigation to some extent, owing to the construction and occupation of a large quantum of new development. The residential-led SDOs were ranked based on their capacity, which is considered to be generally indicative of increases in GHG emissions. There is greater uncertainty regarding the likely impacts associated with the Employment SDO as the nature and scale of the non-residential uses are unknown at this stage.”*

- 3.1.2 Volume 2 scores the Capstone Valley SDO as “Major Negative”, the lowest option on the five point scale.

*“The Capstone Valley SDO could deliver a minimum of 3,749 homes. The construction and occupation of this large-scale of residential development would be likely to significantly increase GHG emissions, and result in a major negative impact on SA Objective 1.”*

- 3.1.3 As shown above, only the smaller scale SDOs are scored as “Negative” score with the larger scale SDOs scored as “Major Negative”, regardless of their location or other qualitative factors.

**Table 4.2:** Impact matrix and ranking of SDOs for SA1 – climate change mitigation

SA Objective 1 (Climate change mitigation)	Capstone Valley	Chatham Docks	Cliffe and Cliffe Woods	East of Rainham	Employment	Hoo Peninsula	Medway City Estate	Medway Valley	North of Rainham	North of Strood	Suburban	Urban
SA score	--	--	-	-	+/-	--	-	-	--	-	-	--
Rank	9th	8th	6th	4th	N/A	11th	3rd	2nd	7th	5th	1st	10th

## 3.2 Commentary

- 3.2.1 The UK government has identified the main sources of greenhouse gas emissions as Domestic transport (29%), Buildings and product uses (20%), Electricity supply (11%) and Industry and Agriculture (26%).<sup>1</sup> Of these the first three sources are relevant to the SDO.
- 3.2.2 In relation to **domestic transport**, it is recognised that private cars are likely to form a substantial part of the transport mix for the Capstone Valley SDO, more so than some of the more urban-focused SDOs. However it does not follow that this would result in increased GHG emissions.
- 3.2.3 UK policy is to shift to electric vehicles which generate no GHGs at the point of use and crucially can take advantage of zero-emission electricity generation, which is not possible with petrol or diesel vehicles. Electric vehicles continue to gain market share in the UK and this has been supported by the recent UK government decision to ban sales of new petrol and diesel vehicles by 2030.
- 3.2.4 The housing in the SDO would start to be delivered around 2030; in this context every household in the SDO would have access to an electric vehicle charger and very few residents in the SDO would be likely to own petrol or diesel cars. Likewise, bus companies and delivery companies are switching to electric vehicles as shown below. This means that the domestic transport associated with the SDO would make a minimal contribution to GHGs.

<sup>1</sup> Department for Energy Security and Net Zero, 2023 UK greenhouse gas emissions, Provisional figures (March 2024)



Figure 3.1 – Sainsbury's electric delivery van



3.2.5 The **buildings** in the SDO (principally housing with some ancillary services) would be very likely to use air source heat pumps instead of gas boilers for heating, and electricity for other power demands. The housing could also incorporate rooftop solar as is becoming commonplace on new housing developments. Again these measures would minimise GHG generation.

3.2.6 Clearly the adoption of electric vehicles and domestic heating will require an increased **electricity supply**, but the UK is pressing ahead with new generation sources including large scale wind farms<sup>2</sup> and high voltage transmission cables to link generation in Scotland with demand in Southern England.<sup>3</sup> The electricity grid continues to significantly decarbonise with circa 35-40% renewable generation in the most recent 12 months, and consequential reductions in GHG emissions:

*"In 2023, emissions from electricity supply accounted for 11.5% of all UK greenhouse gas emissions. Between 1990 and 2023 electricity supply emissions have fallen 78.4%. This is despite consumption of electricity being provisionally estimated to be only 4.2% lower in 2023 than in 1990."*<sup>4</sup>

3.2.7 Overall, the SA has been unnecessarily pessimistic in relation to the Capstone Valley SDO's contribution towards climate change mitigation.

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<sup>2</sup> BBC News - 'Windiest part of the UK' could power nearly 500,000 homes

<https://www.bbc.co.uk/news/articles/c3w6zld90zjo>

<sup>3</sup> Scottish and Southern Electricity Networks - <https://www.ssen-transmission.co.uk/projects/project-map/eastern-green-link-2/?id=1665499557323>

<sup>4</sup> As source 1

## 4 SA Objective 10 – Transport and accessibility

### 4.1 SA Assessment

#### 4.1.1 SA Volume 1 – section 4.2 states:

*“The ranking of SDOs is based on access to existing transport options, given uncertainties in potential delivery of new public transport and active travel links alongside new development. SDOs were ranked according to proximity to bus stops providing regular services (i.e. offering multiple services per day), railway stations, local services and whether they are located within areas served by high-frequency public transport routes, which refers to locations which lie within 300m of a high-frequency bus stop and 600m of railway station. Lesser weighting was given to their access to pedestrian and cycle networks although this was still considered as a factor.”*

#### 4.1.2 Volume 2 scores the Capstone Valley SDO as “Minor Negative”, the second lowest option on the five point scale:

*“The [Capstone Valley] SDO is located beyond the sustainable target distance to railway stations and is located in areas with poor access to existing local services. The SDO is located partially within a sustainable distance to local bus services and the pedestrian and cycle networks, facilitating some sustainable and active modes of transport, although largely outside of the high-frequency public transport routes. Overall, a minor negative impact is identified for SA Objective 10.”*

**Table 4.11:** Impact matrix and ranking of SDOs for SA10 – transport and accessibility

SA Objective 10 (Transport and accessibility)	Capstone Valley	Chatham Docks	Cliffe and Cliffe Woods	East of Rainham	Employment	Hoo Peninsula	Medway City Estate	Medway Valley	North of Rainham	North of Strood	Suburban	Urban
SA score	-	++	--	-	--	--	0	0	-	0	+	++
Rank	9th	2nd	12th	8th	10th	11th	5th	4th	7th	6th	3rd	1st

## 4.2 Commentary

- 4.2.1 The assessment fails to take account of the on-site infrastructure and services which a site of this scale would provide. A development of circa 4,000 dwellings would include on-site services: at a minimum the SDO would provide two primary schools and potentially land for a secondary school to serve the SDO and the surrounding area. Part of the SDO includes land owned by Medway Council which could provide a secondary school or employment delivery. Together with on-site retail, leisure and hospitality provision, a significant amount of potential travel for the SDO's residents would be internalised within walking distance.
- 4.2.2 This would continue a pattern of development already seen in the post-war suburbs of Medway including as Lordswood, which is close to the local centre at the Kestrel and Lordswood Business Park; and Hempstead, which provided a more extensive shopping centre at Hempstead Valley.

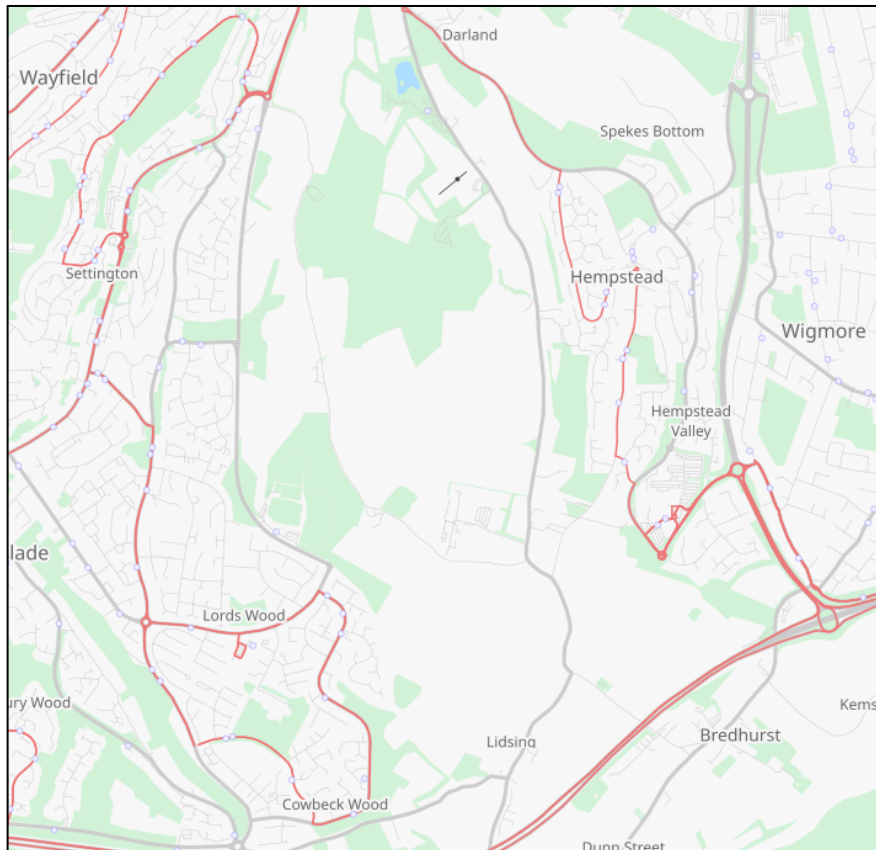
**Figure 3.2: Local centre at the Kestrel, Lordswood**



- 4.2.3 The Capstone Valley SDO is currently open and undeveloped farmland and so has no need for on-site connections for human movement. Bringing forward residential development on the SDO would necessarily include a network of high-quality active travel routes linking to nearby destinations including the Lordswood secondary schools, Lordswood Leisure Centre, Capstone Country Park, the Elm Court employment area and Hempstead Valley Shopping Centre.

- 4.2.4 The scale and location of the SDO between Lordswood and Hempstead would also allow through bus services between Chatham, Lordswood, Capstone and Hempstead. This would be more attractive to passengers and more cost-effective for operators than the north-south 'cul de sac' services which currently serve Lordswood and Hempstead.

**Figure 3.3: Existing north-south bus services in Lordswood and Hempstead**



- 4.2.5 It is a useful illustration that the Lidsing site to the south has recently been allocated in the Maidstone Local Plan Review<sup>5</sup> for circa 2,000 dwellings. This is similar to the Capstone Valley in both its scale and location. The Lidsing site is currently open agriculture land with limited sustainable transport connections; but the allocation requires the delivery of strong active travel connections and a new orbital bus service running through the site. This is an example of the value of larger-scale development recognised in NPPF para 74.
- 4.2.6 Overall the SA fails to recognise that a development of this scale would bring forward on-site community facilities and transport links with the surrounding areas – as can be seen in the historic development pattern of neighbouring suburbs, and the recent allocation of the Lidsing development to the south. This means that the Capstone Valley SDO would have a more beneficial impact in transport terms than the SA suggests.

<sup>5</sup> Maidstone Borough Council - [https://drive.google.com/file/d/1QSkRhBDxcBFEftTb62\\_IWB50yq7VOj0/view](https://drive.google.com/file/d/1QSkRhBDxcBFEftTb62_IWB50yq7VOj0/view)

## 5 Summary

- 5.1.1 There are shortcomings in the SA methodology used to assess the SDOs, and there is not a logical link between individual impacts and the scores.
- 5.1.2 The simplistic method of the SA results in an unduly negative assessment of the Capstone Valley SDO's contribution towards climate change mitigation, without recognition of emerging trends in energy use or technology.
- 5.1.3 The SA also fails to recognise that a development of this scale would bring forward on-site community facilities and transport links with the surrounding areas, and thus would have a more beneficial outcome in relation to transport and accessibility.