

Warberry Estates on behalf of Bovis Homes (Group Land)

Further representations in relation to land at Station Road, Teynham.

Affordable Housing – Policy DM8

We would like to make further representations in relation to the Council's response to our comment LP542.

In the Council's response (Document SBC/PS/117) they state:

'The Council's viability evidence demonstrates that development in the rural area can withstand 40% affordable housing. In accordance with policy DM8 affordable housing will be sought at the level stated, subject to paragraphs 5 and 6 which relate to exceptional circumstances and changes in conditions/viability. '

We remain firmly of the view that the Council and their consultants have misinterpreted the background evidence, which forms the basis of policy DM8. This policy requires that *'all other rural areas'* should provide 40% affordable housing. The Council takes the view that this requirement will include Teynham.

The background documentation consists of two reports both prepared by Peter Brett Associates (PBA). The first document (CD/013), titled *'Economic Viability Study'* was produced in 2014. The second document (CD/013A) produced in 2015 provides an update.

The purpose of these studies is to help inform the decisions by locally elected Members about the risk and balance between the policy aspirations of achieving sustainable development and the realities of economic viability, including the level of affordable housing that would be appropriate for the different parts of the District.

In order to assess sales prices across the District, which is critical to viability, PBA sourced residential sales revenues from a range of sources, including websites such as Right Move, Zoopla and the Land Registry.

In both documents PBA provide a drawing (Figure 4.1 in the 2014 document and figure 2.1 in the 2015 document), which shows average prices paid for all new build transactions across Swale. Copies of these are attached.

These studies conclude that there are broadly four value zones, being Sheppey, Sittingbourne, Faversham and the rural areas. Policy DM8 is clearly derived from this assessment. The policy requires no affordable housing on Sheppey, 10% in Sittingbourne, 35% in Faversham and 40% in the other rural areas.

We believe that this is not an objective approach, as evidenced by the attached drawings.

Drawing 4.1 shows the highest average house prices coloured pink. The highest prices are achieved in the rural parts of the district **south** of the A2 and to the east of Faversham. The south side of Sittingbourne and its rural hinterland generates slightly lower prices. These vary from £190,000 up to £310,000. In contrast, the lowest house prices are coloured in yellow. These are generated on the Isle of Sheppey, northwest Faversham and in the rural areas north of the A2, which includes Teynham. Here sales prices vary from £110,000 up to £190,000. Drawing 2.1 demonstrates similar results. The Teynham site does not fall within the higher property value brackets on either of the maps referred to in the study.

Bovis homes are very familiar with the local market having developed recently at Minster and at Great Easthall Farm in Sittingbourne and are of the view that sales prices as shown on these drawings are broadly accurate. Teynham is more akin, in terms of achieved sales prices, to Sittingbourne and Sheppey than it is to the rural areas south of the A2, therefore it should not be included in the same category as the 'other rural areas'.

In this context, we consider that Policy DM8 (Main Modification 254) should be amended to align the percentage of affordable housing sought more closely to the evidenced housing market areas.

Bovis Homes are currently seeking further independent advice with regard to this matter.
